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# ***Daily Report***

# **East Europe**

FBIS-EEU-92-147  
Thursday  
30 July 1992

# Daily Report

## East Europe

FBIS-EEU-92-147

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**NOTICE TO READERS:** An \* indicates material not disseminated in electronic form.

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#### **Croatia**

Zagreb radio reports that representatives of the Croatian and Yugoslav Armies reached an agreement on withdrawal on 29 July. "The withdrawal of the Yugoslav Army from the occupied areas of the Dubrovnik municipality and the Republic of Croatia will begin, and it will be completed within a deadline of eight days."

#### **Bosnia-Herzegovina**

TANJUG reports that in a TV statement on 28 July, President Alija Izetbegovic "stressed that the Muslims, regardless of E.C.-mediated talks on a solution to the crisis in Bosnia-Herzegovina, are preparing for war."

In reference to talks in London on 27 July, TANJUG reports that Radovan Karadzic, president of the Serb Republic of Bosnia-Herzegovina, stressed that, "as far as the Serb side was concerned, the talks have not been unsuccessful. We have not started from zero; rather, we have taken steps forward in relation to the agreement reached in Lisbon on 18 March."

#### **Czechoslovakia**

Prague TV reports that Slovak Prime Minister Vladimir Meciar presented a draft constitution to the Slovak National Council on 29 July. He commented that "the questions of final stipulations are extremely delicate as they regulate the relationship of the constitution of the Slovak Republic to the constitution of the Federation and the relationship of the laws of the Slovak National Council to federal laws."

#### **Romania**

Commenting on the Moldova situation during a press conference, Foreign Ministry spokesman Traian Chebeleu said: "The course of the conflict in the Dniester region so far attests that the 14th Army must be kept outside the conflict and that urgent negotiations are necessary between the Russian Federation and the Republic of Moldova in order to have that army withdrawn and, until then, to have its status defined," reports ROMPRES.

#### **Albania**

ATA reports that the chairman of the Albanian Socialist Party issued a press release in which he stated that "data was censured" in TV coverage of his 28 July press conference, "once more violating the norms of international law and the legal status of this official mass media institution for unbiased information."

During a news conference carried by Tirana radio, Democratic Party, PD, Chairman Eduard Selami commented on preliminary election results, saying: "The reports coming in thus far speak of a reduction in the PD's percentage." Explaining the reduction in votes, he added: "What is important is a lack of awareness on the part of the people of the difficulties that the reform, which has just begun in Albania, has brought forth. People are tired of dictatorship, they have no patience, and they cannot accept a monumental sacrifice to make the necessary changes."

#### **Poland**

On 29 July, Polish Foreign Minister Krzysztof Skubiszewski and German Foreign Minister Klaus Kinkel signed agreements in Warsaw on Polish-German border cooperation, reports PAP. The ministers also agreed to establish "a Polish-German prize to be awarded for the first time this year for merits in promoting Polish-German relations." These agreements are important in improving cooperation between the two countries.

**Commission Presents Partial Electoral Results**

AU2907174892 Tirana Radio Tirana Network  
in Albanian 1330 GMT 29 Jul 92

[Interview with Virgijl Karaj, member of the Central Electoral Commission by Zamira Koleci; place and date not given—recorded]

[Text] [Koleci] Mr. Virgijl, what is the most recent information in the Central Electoral Commission [KQZ]?

[Karaj] As it has been explained time and again in radio and television broadcasts, today is the last day, and at 1800 [1600 GMT] all the district electoral commissions should bring the KQZ copies of the protocols for final election results. We should stress that the KQZ, on the basis of Article 52 of the Law on Local Government Elections, announces the final results on a national scale within five days after receiving documents from electoral commissions, which are published in a special bulletin. Nevertheless, the commission [words indistinct] and bearing in mind that many authorized persons from the commune, municipality, and district commissions are working and have reached some results.

[Koleci] Before discussing the results, let us explain to the listeners the procedure for receiving and examining these protocols. The examination of the protocols are, as a rule, overseen by the chairman, commission secretary, or a member of the commission, which is responsible for accompanying the results. These protocols are presented to the KQZ, which examines in detail all the figures in the protocols. In the event that these figures are not in conformity with the law, the protocol is rejected until it can be completed in conformity with the legislation for the conduct of elections.

At present, I have before me some data, which is precise, on the results achieved thus far in several districts, municipalities, or communes. We can declare with responsibility that these results are approved. We should explain first that the results of elections in the districts, municipalities, and communes will be given by media organs according to the schedule for their presentation by the commission members so that people have no questions about why certain information is given and some is not. Therefore, I will begin to give some figures.

The first to come here was the Kavaje District commission, which had these results in the elections: The district council has 23 seats. The seats are distributed as follows: The Democratic Party [PD] has 17 seats, the Socialist Party [PSSH] has five seats, and the Social Democratic Party [PSD] has one seat. Mr. Selim Luizi, a PD representative, was elected mayor of Kavaje City. The Kavaje City Council has 15 seats, and all 15 seats went to the PD. Of eight Kavaje District communes, seven mayors are PD representatives and one is a PSSH representative. For councils and communes, 98 councillors were elected. Out of them, 63 are PD representatives, 33 are PSSH representatives, and two are from the PSD.

The Rrogozhine Municipality's protocol was rejected because it contained discrepancies.

The Erseke District Council has 25 seats, which are distributed in the following way: 18 are PSSH members, eight are PD members, and two are PSD members [figures as heard]. Andon Staja, a PSSH representative, was elected mayor of Erseke City. Its council has 11 seats with the following distribution: eight PSSH representatives and three PD representatives. In Leskovik Municipality, the PSSH representative will be in the balloting with a PD representative for mayor. The Leskovik Municipality Council has 11 seats: six PSSH seats, three PD seats, and two for the Union for Human Rights. There are six communes in Erseke District. The six commune chairmen are PSSH representatives. Members of the communes' council occupy 72 seats. Out of this, PSSH representatives have 46 seats, PD representatives have 25, and PSD has one.

Regarding Durres District, its electoral commission has not reported the relevant protocol. The municipality councils have reported with the following results: Tomor Gorenj, PD representative, was elected mayor of Durres City. Of 21 seats on the municipality council, the PD gained 13 seats, the PSSH gained six seats, and the Republican Party gained two.

Shijak Municipality: Skender Duka, of the PD, was elected mayor. Of 15 seats on the municipality council, the PD gained 13 seats and the PSSH gained two seats. In eight communes of this municipality, the seats were distributed as follows: Two mayors were from the PD, three were from the PSSH, and three are as yet undecided. Out of 104 commune councillors, 53 seats were taken by the PD, 43 were taken by the PSSH, and eight seats were taken by the Republican Party.

[Koleci] Excuse me, Mr. Virgijl, let us clarify this for the listeners, because it may be necessary. Do the second elections influence the municipality council?

[Karaj] No, in the second elections, balloting is done only for majority voting, which means commune or municipality chairman elections.

For Kucove District: The Kucove District Council has 23 seats: 15 are held by the PSSH and eight are held by the PD. Vangel Shyti, a PSSH representative, was elected mayor of Kucove City. The municipality council has 15 seats: 12 PSSH and three PD. Both mayors are PSSH representatives. Of 24 commune councillors, 19 are PSSH representatives and five are PD representatives. We are continuing to monitor data from other districts. We will soon give full and complete results on districts according to the time of their arrival at the commission.

[Koleci] Thank you.

### **Socialists Claim Victory in Elections, Protest**

*AU3007093192 Tirana ATA in English 0900 GMT  
30 Jul 92*

[“Press Release of Mr. Nano”—ATA headline]

[Text] Tirana, July 30 (ATA)—Follows a summary of the statement the chairman of the Albanian Socialist Party [SP] made on his request to the ATA correspondent:

I (?regard) it a duty, the above statement says, to address to ATA, as one of the national official mass media, to show my opinion on the reports on the results of July 26 elections for local power organs. In the press conference on July 28, through the TV, the public opinion not only was not extensively informed but data were censored and the stand and information by me, as chairman of the Socialist Party and as deputy were not properly given, once more violating the norms of international law and the legal status of this official mass media institution for unbiased information.

I am repeating again that, based on preliminary reports and non-final results based on official (?verbal notification) from members and observers of the Socialist Party in the local election commissions, it comes out that in the elections for councils and communes the Socialist Party has won in about 200 communes or 64 per cent of them. In the elections for municipal councils, the Socialist Party has won in 22 of them out of 43, or 51 per cent of the total number.

In the elections for the councils of districts, the SP has won over 60 per cent of the votes.

In the elections for mayor of municipality the SP has won so far 40 per cent of them or in 17 municipalities out of the total of 43, 15 will be decided in a second tour, whereas 11 are won by the DP [Democratic Party] or some other parties.

In the elections for head of communes, out of 312 communes the Socialist Party has won in 163 of them, that is 52 per cent, whereas as regards to 69 of them or 22 percent of the communes it is to be decided on the second tour.

After pointing to the censorship on his press conference by the RTV, Mr. Fatos Nano said:

I officially protest and make this known to the public through the honoured institution, ATA, publicly demanding that the television broadcast the press conference. I say, as a deputy I will demand from the People's Assembly mass media commission to finally dot the “i’s” on the status and information activity of the RTV, which, unfortunately is not clearly reflecting and fully informing the people of the situation at home and the relations and engagement of the political forces, to whom our people give the vote of confidence.

On its part the SP will since today inform the respective international organisms as well as diplomatic corps

accredited to Albania not only of the elections results it has, but also of the continuation of these flagrant violations of the norms of democratic co-existence as well as of the democratic laws issued by the Albanian parliament.

### **PD Chairman Notes ‘Suprise’ With Election Result**

*AU2907074692 Tirana Radio Tirana Network  
in Albanian 1330 GMT 28 Jul 92*

[Zamira Koleci report]

[Text] Democratic Party [PD] Chairman Eduard Selami gave a news conference at the Palace of Congresses news center this morning.

In his speech he stressed that despite the fact that the final election results have not been announced, they are an important step on the road to democracy. The local government elections, the first democratic ones at this level, are in themselves historic and they constitute an important moment on the difficult road of democracy. They were quiet, free, and democratic. The reports coming in thus far speak of a reduction in the PD's percentage. We gained in the big and main cities, such as Tirana, Elbasan, Korce, Shkoder, Durres, etc.; Vlore, Fier, Berat have gone to a second round; and we lost in the towns—Skrapar, Tropoje, Kucove, Permet, Tepelene, and Librazhd. In the village communes, we noticed a relative decrease for the PD.

Judging from these results, though not final, Mr. Selami pointed out that the road to democracy will continue with difficulty. Though four months and four days have passed, the great political step made on 22 March was not preserved in the same ratio on 26 July.

By presenting several reasons for this result, Mr. Selami stressed that what is important is a lack of awareness on the part of the people of the difficulties that the reform, which has just begun in Albania, has brought forth. People are tired of dictatorship, they have no patience, and they cannot accept a monumental sacrifice to make the necessary changes. Moreover, the PD, cabinet members, and parliamentarians should have better explained these difficulties to the people.

The other reason is that elections have their specifics; that is, voting for special persons. We should have been more careful in selecting candidates. The electoral campaign itself should have been done with a greater commitment. Mr. Selami stressed that as a result of difficulties in our daily life such as shortages of soap, oil, and sugar, the tableau of life was blackened. The dictatorship itself sowed this tableau, and this was achieved through a great deal of skill and propaganda [word indistinct] democracy. The government was unable to justly explain the mistakes of previous governments and overcome them within a short period. That is why these difficulties

were exaggerated and presented in dark colors, and the road of reform in general was presented as gloomier than it truly is.

Mr. Selami stressed that the last reason he would list was a reduction in the number of voters and a large number of abstentions. This makes it possible to relatively increase the number of votes for the Socialist Party [PSSH].

From the approximate data, the number of people who voted for the PSSH remained the same, but the number who voted decreased and, consequently, those who voted for the PD on 22 March. This is a phenomenon that has occurred in other East European countries also. The former communist parties have attempted to preserve their privileges against the democratic changes that deprive them of these privileges.

The approximate result is a surprise to me. It is a surprise that a country that suffered for 47 years is unable to [word indistinct] several difficulties that the dictatorship brought in the first three months after the establishment of democracy. If this wavering of faith in the PD had occurred in favor of the other parties of the anticommunist front, such as the Republican Party, the Social Democratic Party, or any other party of this kind, it would have been valuable and a positive sign even with the reduction in the PD's percentage. The fact that this was in favor of the PSSH, worthy heir of the Communist Party, makes this surprise a difficulty on the road to democracy and a step backward compared to 22 March.

Despite this, we are determined to march on the new road, the road of reforms, at all costs, because we believe that this road the only way out of the crisis and this difficult situation. No matter what the result is, these elections cannot change the political victory of 22 March. The PD people elected on 26 July will justify the people's confidence. We will not accept any alliance with the PSSH in the government.

Answering reporters' questions, Mr. Selami said that the PD considers local government necessary as long as the party has the central government [as heard]. Under the conditions of preliminary results, we say that difficulties in carrying out the reform will exist, but this depends on the way the local bodies proceed. For the national question's sake, the PSSH local government representatives should be loyal and respect national interests, something that has not been done in many cases so far.

#### **PRC Foreign Ministry Delegation Arrives for Visit**

*AU2607144392 Tirana ATA in English 0908 GMT  
26 Jul 92*

[Text] Tirana, July 26 (ATA)—A delegation of the Foreign Ministry of the PR [People's Republic] of China, headed by Tian Zengpei, deputy foreign minister, arrived on an official visit to our country. It conducted negotiations at the Foreign Ministry with the Albanian delegation headed by the Albanian Deputy Foreign Minister Arjan Starova.

Mr. Starova expressed his pleasure over this visit which will contribute to the promotion of state relations between the two countries in the political, economic, trade and cultural areas. He briefed his Chinese counterpart with the state at home. Our government, he said further on, is for the intensification of relations between Albania and China in various fields. Mr. Starova said that under the circumstances Albania faces currently, we express our desire to have Chinese aid with raw materials, food, etc. and that the Chinese Government offer other credits to Albania.

In his address Mr. Tian Zengpei said among others that there is a traditional friendship between our two countries. Over the recent years our relations have developed nonstop, trade exchanges have increased and cultural, technical and scientific links have started. We have observed that changes have taken place in Albania recently, he said. We have been and are for that ideologies and social systems should not hinder the development of state relations. We want a friendly cooperation in all the areas.

#### **Meets With Berisha**

*AU2807085992 Tirana Radio Tirana Network  
in Albanian 1730 GMT 27 Jul 92*

[Text] During his visit to our country, PRC Deputy Foreign Minister Tian Zengpei met with President Berisha today. They both expressed pleasure with this meeting. The PRC deputy foreign minister greeted President Berisha on behalf of the PRC president and congratulated him on the way the Albanian Government and people are conducting their economic reform. He emphasized that the PRC wants strong relations in the economic, scientific, technical, and cultural fields.

President Berisha expressed his readiness to aid in furthering these relations. Concerning the Kosovo issue, the PRC deputy foreign minister expressed the PRC Government's view that a solution of the Yugoslav crisis should be achieved only through peaceful ways and means.

In connection with the Taiwan issue, President Berisha said that we will defend the sovereignty of all countries.

**Albanian Foreign Minister Visits, Meets Ganev**

*AU2907122192 Sofia Khorizont Radio Network  
in Bulgarian 0900 GMT 29 Jul 92*

[Text] Stoyan Ganev, foreign affairs minister, met with Albania's foreign minister, Alfred Serreqi, in Sofia this morning. The latter stopped over in our country on his way from Turkey to Romania, the Foreign Ministry announced.

Minister Ganev declared that our country has prepared the draft of a bilateral friendship and cooperation treaty with Albania and is actually ready to sign it. He proposed that representatives of the two countries' economic ministries should examine the state of bilateral relations, as soon as possible, and map out projects for their future development.

In connection with the situation in the Balkan area, concern was expressed about the situation in Kosovo. According to Alfred Serreqi, it is only possible to settle the Yugoslav crisis if the Kosovo problem is also solved.

He is convinced that a way out of the situation can only be achieved through a dialogue, without preliminary conditions, in which representatives of Kosovo Albanians should also participate.

**Military Delegation Evaluates U.S. Visit**

*AU3007095992 Sofia BULGARSKA ARMIYA  
in Bulgarian 23 Jul 92 p 1*

[Interview with Nikolay Slatinski, chairman of the parliamentary National Security Commission, by Valeri Vasev; place and date not given: "Pentagon Has Respect for Us and Expects the Reform To Continue"]

[Text] From 7 to 17 July a group of Bulgarians visited Brussels and Washington. The group comprised Nikolay Slatinski, chairman of the Parliamentary National Security Commission; Deputy Defense Minister Tikhomir Stanev; and Rear Admiral Petur Stranchevski, adviser on naval affairs in the president's military office.

[Vasev] Mr. Slatinski, you completed quite a big program. What were the aims of your visit?

[Slatinski] We took part in a big seminar, the purpose of which was to investigate West European and U.S. experience in relations between civilian establishments and institutions connected with defense and the armed forces. The participants included representatives from Czechoslovakia, Poland, Hungary, Bulgaria, and the three Baltic republics.

[Vasev] What did the Bulgarian delegation find out?

[Slatinski] First of all, we acquainted ourselves with the achievements of the West European democracies and the United States in the field of public and parliamentary control, defense and budget planning, and organization of the state structures.

[Vasev] Where the contacts you made useful?

[Slatinski] In Bulgaria, decisions concerning national security are reached within a narrow circle without public control. We were able to see how in a Western democracy the main principles of giving the civilian leadership priority over the military leadership are observed in practice. The concept of a "military politician" does not exist. The political organizations and structures make the decisions and bear complete responsibility, while the military are left to fulfill their duty of defending their country.

[Vasev] Mr. Slatinski, can you tell us something more about your meetings during this trip?

[Slatinski] Our hosts placed the greatest emphasis on exchanging experience. We managed to explain our positions on all issues—foreign policy, the events in Yugoslavia, and so on. This made some of the other delegations envious. We had meetings with NATO Secretary General Manfred Woerner, with John Shilikashvili, commander in chief of NATO's Combined Armed Forces in Europe, and with the latter's deputy Dieter Klaus. In the United States, we found our meeting with Colin Powell the most valuable. Apart from him, we also met David Atwood, assistant to U.S. Secretary of Defense Richard Cheney, who was on leave at the time of our visit. We also had a very useful meeting with former Secretary of Defense Frank Carlucci and talked to Donald Rice, secretary of the Air Force. The reactions to our visit were every good, especially in the Pentagon. They have respect for us, and the only thing that they want is for the reform in the Army to continue.

**Turkish Commander Visits, Meets Navy, Army Chiefs**

*AU2907182492 Sofia BTA in English 1647 GMT  
29 Jul 92*

[Text] Sofia, July 29 (BTA)—An official delegation of the Turkish Armed Forces led by Admiral Irfan Tinaz [name as received], commander of the Turkish Navy, paid a four-day visit to Bulgaria at the invitation of Rear Admiral Ventsislav Velkov, commander of the Bulgarian Navy. BTA learned from the Press Service of the Ministry of Defence.

The two sides reached an agreement on providing help to wrecked submarines, on cooperation in the repair of ships and joint exercises.

The delegation was received by Colonel General Lyuben Petrov, chief of the General Staff of the Bulgarian Army, and by Lieutenant General Stoyan Andreev, advisor to the president on national security.

The delegation left the country today.

**Constitutional Court Rules Out Communist Ban**

AU2907131692 Sofia BTA in English 1009 GMT  
29 Jul 92

[Text] Sofia, July 29 (BTA)—The Constitutional Court determined that a clause in the Banks and Lending Act was unconstitutional, today's dailies report. According to KONTINENT, the ruling was delivered at a session attended by eleven of the court's twelve judges. Four judges expressed a dissenting opinion. The decision has not been officially announced.

The clause known as "the small decommunization" imposed a five-year ban on the appointment of former senior officials of the Communist Party and its satellite organizations to managerial posts in banks. The ban applied to salaried and unsalaried associates and employees of State Security.

According to the press, the court motivated its decision by a provision in the Bulgarian Constitution which prohibits any restriction of rights on the grounds of political affiliation, sex, race, religion, etc. Besides, the court invoked a number of international conventions ratified by Bulgaria which the clause in question contravenes.

The clause was the first and only decommunization provision in Bulgarian legislation. Its constitutionality was challenged by 49 M.P.'s [members of parliament] of the Bulgarian Socialist (ex-communist) party.

Law makers must comply with the Constitutional Court's ruling, today's TRUD quotes the Chairman of the National Assembly Legislative Committee Aleksandur Dzherov as saying: According to him, the disputed texts should be amended on the basis of the ruling.

According to Mr. Dzherov, the Constitutional Court's ruling cannot block the passage of the bills on decommunization and on public servants tabled by M.P.'s of the ruling Union of Democratic Forces (SDS). The same view is held by Mr. Georgi Markov M.P. of the SDS.

According to Mr. Rumen Pavlov, director at the Economic Bank, the ruling protects professionalism. Recently the bank's employees called a strike in defence of Governor Tsvetan Petkov, who comes within the provisions of the clause.

**Defense Ministry Announces Army Pay Bonus**

AU2907135992 Sofia 24 CHASA in Bulgarian  
21 Jul 92 p 1

[Text] The Ministry of Defense has decided that military servicemen of all units throughout the country are to receive 400 leva over and above their pay for the month of July. The order specifically states that everyone will receive the same amount, irrespective of the post held, rank, and type of service.

At the end of June, Defense Minister Staliyski ordered a 50 percent rise in pay according to rank. This order was revoked after the government announced a 26-percent increase in the pay of persons in occupations financed out of the budget. In both cases, the amounts offered exceeded the 600-leva limit.

**Zhelev Discusses Topical Issues With UDF**

AU2807110192 Sofia BTA in English 1757 GMT  
27 Jul 92

[Text] Sofia, July 27 (BTA)—Today President Zhelyu Zhelev had an almost four-hour-long meeting with the National Coordinating Council of the ruling Union of Democratic Forces (UDF). The meeting was held at the UDF's request. It was also attended by Mrs. Blaga Dimitrova, vice president, Mr. Filip Dimitrov, prime minister, leader of the UDF, Prof. Nikolay Vasilev, deputy prime minister, leader of the UDF-affiliated Alternative Social Liberal Party, and by Mr. Stefan Savov, chairman of the National Assembly, in his capacity as leader of the UDF-affiliated Democratic Party.

We met with President Zhelev to discuss the political situation in the country, Prime Minister Dimitrov said after the meeting. In his view the president's opinion on the Socialists' no-confidence motion which was put to the vote in parliament last week should be clear to everybody. We have no problems with the assessment of the political situation in the country, Mr. Dimitrov noted.

When the opposition's no-confidence motion was debated and then put to the vote, President Zhelyu Zhelev did not appear in parliament, which some papers interpreted as tendentious.

I was surprised by Dr. Zhelev's absence from parliament but it turned out this was some misunderstanding—he was not informed correctly about the date on which the vote would be taken, UDF M.P. Georgi Markov, deputy chairman of the Democratic Party, told journalists after the meeting.

The analysis of the political situation in the country was made in the light of last week's events and the forthcoming parliamentary recess, a consensus was reached, president's spokesman Valentin Stoyanov pointed out.

Some aspects of Bulgaria's foreign policy were also considered.

**Industry Minister Presents Reform Program**

AU2907094392 Sofia BTA in English 1944 GMT  
28 Jul 92

[Text] Sofia, July 28 (BTA)—With production on the decline and enterprises in dire financial straits (companies owed 54 million leva in intercompany debts and debts to commercial banks by march 31, 1992) Bulgarian industry needs a clear programme to give forthcoming

privatization a good start. This is the objective of the 100-day programme presented today by Minister of Industry Rumen Bikov.

Mr. Bikov dwelt on the reasons for the crisis in Bulgarian industry: A long-standing structural policy incompatible with the country's resources, mismanagement, uncompetitive production, a monopolized market. In the next hundred days, Mr. Bikov stressed, it would be essential to give an impetus to the structural reform, arrest the downward trend in production, stabilize the basic economic parameters, restructure the work force and encourage the private sector.

The final goal of the programme is privatization. The Ministry of Industry is aware it is time-consuming process requiring a preliminary review of companies' financial state and their prospects. A list of twenty companies eligible for privatization will be drafted by October 1992. Their names will be made known right before holding the auctions. The Ministry of Industry hopes to attract foreign capital, too.

The promotion of small and medium-size businesses is another major aim of the programme. The EC operation PHARE [Economic Reconstruction Aid for Poland and Hungary] has granted Ecu 22.5 million to this end. Consultants have been employed to assist labour relocation in regions affected by the closure of ore mines. The Ministry of Industry reached an agreement with trade unions in coal, ore and uranium mining about a six-month moratorium on industrial action.

The Ministry of Industry will propose to the cabinet to make crediting concessions to 300 companies thought to have good prospects.

#### **Trade Minister Pramatarski Outlines New Policy**

*AU2907143992 Sofia BTA in English 1309 GMT  
28 Jul 92*

[Text] Sofia, July 29 (BTA)—Minister of Trade Aleksandur Pramatarski outlined three basic areas of Bulgaria's new trade policy at a press conference today. He was elected to this post two months ago when cabinet changes were carried. Mr. Pramatarski, 29, is the youngest minister in the cabinet.

First, Bulgaria will seek to establish bilateral relations, concentrating on countries in transition to a market economy, the members of G-24 [Group of 24] and the countries in Asia and Africa. Joint ventures are included in this area of activity.

The second sphere of activity covers integrational policy in general and Bulgaria's association with the European Community in particular.

The third area is concerned with home trade—analysis and evaluation of the market, activity of state commercial partnerships, and implementation of the privatization programme.

Minister Pramatarski said that one of the ministry's major tasks was keeping traditional relations and finding a new way to cooperate with the countries in Eastern and Central Europe and the Commonwealth of Independent States [CIS].

Mr. Pramatarski informed that besides the one million tons of oil contracted during his recent visit to Russia, the Russian side promised to supply another 1.5 million tons from Tyumen and one million tons from the Orenburg region. On its part Bulgaria is ready to start the export of food, medicines and other necessities of life to the CIS countries. However, the main obstacle to it is the unsettled payment regulations, the minister of trade said. He expressed his hope that the problem of Bulgaria's trade surplus would be resolved during President Boris Yeltsin's visit early next week.

#### **Agricultural Minister Announces Major Tasks**

*AU2907102492 Sofia BTA in English 1955 GMT  
28 Jul 92*

[Text] Sofia, July 28 (BTA)—The completion of the land reform, the liquidation of the state-controlled cooperative farms, demonopolization and the abolition of state structures in agriculture are among the major tasks of the agricultural development ministry, the Minister of Agricultural Development, Land Use and Land Ownership Restitution Georgi Stoyanov told a press conference today. According to Mr. Stoyanov, it is as important to shape a new pricing and trade policy and a crediting system consistent with the sector's specificity.

Mr. Stoyanov took charge of the Agricultural Development Ministry following a cabinet reshuffle two months ago.

We have a comprehensive idea of developing Bulgarian agriculture, Mr. Stoyanov said. According to him, the new agricultural system will not be able to function without including farmers' branch organizations. Bulgarians are good producers, yet bad traders and for this reason it is necessary to set up regional chambers of agriculture. Insurance and crediting will be other components of the system, Mr. Stoyanov said.

#### **BZNS-United Disavows Secretary's Actions**

*AU2907093592 Sofia ZEMEDEL'SKO ZNAME  
in Bulgarian 20 Jul 92 p 1*

["Statement of the Permanent Board of the Bulgarian National Agrarian Union-United"]

[Text] The Permanent Board of the Bulgarian National Agrarian Union-United [BZNS-United] declares that the commitments that Union Secretary Tsenko Barev made in relation to the Bulgarian Democratic Center on 17 July 1992 represent his own personal position and do not involve any commitment on the part of the BZNS-United leadership. Under the statute, matters relating to

political agreements, election campaign alliances, and coalitions lie within the competence of the Permanent Board.

The BZNS-United Permanent Board expresses regret that Mr. Tsenko Barev did not wish to take part in the session of the Permanent Board that he himself called at 1500 on 17 July 1992, and even permitted himself to issue a written order denying the members of the Permanent Board access to the BZNS-United building.... This is a new precedent in the history of the Agrarian Union.

These actions that he has undertaken failed to spoil the satisfaction felt with the first meeting with the Permanent Board of the Nikola Petkov BZNS.

Sofia, 18 July 1992.

#### **Editorial Analyzes Calls for Government Resignation**

*AU3007090592 Sofia DEMOKRATIYA in Bulgarian  
22 Jul 92 p 1*

[Samuel Levi editorial: "Political Theater in the Style of Gogol's Comedies"]

[Text] "The government should resign!"—this is what the opposition declared before recently returning to parliament. "The prime minister should resign!"—this what the daily PODKREPA, the press organ of the famous figure K.T. [Konstantin Trenchev, leader of Podkrepa Labor Confederation] urges. "The cabinet should resign!"—this is what the Confederation of Independent Trade Unions in Bulgaria [KNSB] screamed, encouraged by the other claims. As far as newspapers in the style of 24 CHASA and 168 CHASA are concerned, they have been tuned to the same wavelength for a long time.

Let us examine the situation: Why is the government urged to resign? The explanation is simple—because those gentlemen are planning it. Let us pursue their activities chronologically. First, the newly established government began its work. It really got down to work, unlike the previous governments. The Prosecutor's Office is also doing its job. The Ministry of Internal Affairs (pursuing a series of actions against organized crime) supported them. Who does not profit from this? The communists, of course. Hence, they walked out of parliament. The occasion was the arrest of mafia member Lukanov. In the meantime and with exact timing, as a matter of fact, Zhan Videnov held meetings with the KNSB and wrote a letter to the Podkrepa Labor Confederation. The Socialists held a plenum, and Konstantin Trenchev personally greeted them. The plenum resolved the problem by adopting a resolution on the

cooperation of the Bulgarian Socialist Party (communists) with the trade unions. This is precisely the moment for Konstantin Trenchev to organize strikes. One of the strikes is trying to obstruct the work of the new Board of Directors at Neftokhim. It is known that the former board laundered money for the BSP (communists). The KNSB is also not inactive. Its leaders are touring the Bulgarian ports. Nevertheless, their strikes are a failure.

Konstantin Trenchev stages a dress rehearsal. He refuses to conduct constructive negotiations on the wages of medical staff. The result is a strike! The health workers strike is only a rehearsal. The doctors refuse to be puppets in someone else's hands and so Trenchev is looking for other victims. The public transport drivers would do, but he cannot manage to organize them on a nationwide scale. One city is enough. It is decided that the city should be Sofia. The demands are overtly political, hidden behind financial screens. The strike begins. At this point the links between the State Insurance Company, Trenchev, and Lukanov are disclosed. New revelations follow, namely about Lukanov having donated a quarter million leva to Trenchev. The strike intensifies. Trenchev has no reason to give in, he is playing for high stakes. The KNSB is not a very reliable partner, but the problem of confiscation of its property is at the bottom of its actions. Professor Krustyu Petkov is forced to play the game to the end. Zhan Videnov is convinced that victory is imminent. He proposes a no-confidence vote in the government. A series of interviews with political leaders from the extra-parliamentary opposition follows in due course. These activities escalate to such an extent that, in his euphoria, Mr. Petko Simeonov announces that we have a new prime minister, who is also supposed to be from the Union of Democratic Forces. The image of all sorts of politicians is being built up in the meantime.

Are these coincidences? They are so accidental that there is no way of denying their coincidental nature. This applies in particular to the "climax," namely the BSP rally. While the government is chasing the mafia, the mafia unites in trying to overthrow the government. This is quite interesting. As early as a month ago, some people were mentioning new names in connection with candidates for the post of prime minister. Why should such a figure not come out with the support of Konstantin Trenchev and Prof. Petkov? Is this not infinitely more convenient than losing early elections with even greater vote losses than the previous ones? Is this not a way of deluding Zhan Videnov and his BSP (communists)?

Anyone can answer this question easily so long as he has understood the consistency and logic of the current developments. The greater the pressure on the post-communist mafia, the more likely it is that everyone will let his mask fall. We are watching the final mute scene of Gogol's most famous play.

### Draft Constitution Presented to National Council

LD2907212892 Prague Federal 1 Television Network  
in Slovak 1730 GMT 29 Jul 92

[Excerpts] [passage omitted] The Slovak National Council Presidium met in Bratislava today. At the beginning of the session Slovak Premier Vladimir Meciar handed over a draft Slovak Constitution to Ivan Gaspárovic, chairman of the Slovak National Council.

At a brief meeting with journalists he described this ceremony as a very important one. Every single paragraph is to be the basis for a new law and this means that a reconstruction of the entire legal system will follow.

[Begin Meciar recording] The questions of final stipulations are extremely delicate as they regulate the relationship of the constitution of the Slovak Republic to the constitution of the Federation and the relationship of the laws of the Slovak National Council to federal laws. [end recording] [passage omitted]

Speaking about the draft constitution, Vladimir Meciar went on to say that a postponement of the validity of any paragraph of the Slovak constitution is not going to be proposed. The constitution will come into force immediately after being published in the statute books. The constitutions of the two republics should be in harmony with the federal constitution. If this is not the case, the Constitutional Court has the right to point to the conflict but it cannot invalidate the constitution of the Slovak Republic. [passage omitted]

### Meciar Views Importance

LD3007095392 Bratislava Rozhlasova Stanica  
Slovensko Network in Slovak 1000 GMT 29 Jul 92

[Interview with Slovak Prime Minister Vladimir Meciar by correspondent Michal Tvarozek in Bratislava after presentation of the draft constitution to a Slovak National Council Presidium session on 29 July—recorded]

[Excerpts] [Tvarozek] Mr. Prime Minister, what significance do you attach to this symbolical act of presenting the draft constitution?

[Meciar] The handing over of the draft constitution represents the culmination of one very important and very long period of work. If we view the constitution as the law of laws, as the fundamental source of law, then this act is very important because through it we tell the citizens and the rest of society about our respect for the rights of citizens and national minorities and of our conception of future forms. Furthermore, we are using it to demonstrate what the constitutional system of relations among Slovak Republic bodies should be like in how their structure should be completed. It is also a demonstration of the attitude towards the bodies of local self-administration and state administration, which—in line with this constitution—should also be solved in a

democratic way. And thus its value is not just symbolical. What it means is that each paragraph should be worked out into a new law. This should be connected with and followed up by a restructuring of the entire legal code of the Slovak Republic based on more democratic principles. This work is enormously complex.

[Tvarozek] Which part of the draft Slovak constitution is the most important one, the one that will have to be properly considered by the Slovak National Council [SNC] Presidium and plenum?

[Meciar] There is not a single one which will not be important. However, the issues concerning final provisions defining the relationship between the Slovak Republic constitution and the Federation's Constitution and the relationship between the SNC and federal laws are exceptionally delicate. These provisions in the government's draft are at present in full conformity with the current Constitution, while the political agreement between the Civic Democratic Party and us [the Movement for a Democratic Slovakia] says that this issue will be solved in the Czech and Slovak National Councils Presidiums before the adoption of the Slovak republic constitution. The two constitutions are based on the principle that each of them is a full-fledge subject of international law. [passage omitted]

[Tvarozek] At the 28 July cabinet session you omitted the paragraph which speaks about state interference in price-setting policy. This move generated rather bewildered reactions because people now think that the prices will be uncontrollably spiralling and that there will be no one at all to regulate them.

[Meciar] This paragraph was not omitted just by accident. The way in which it was formulated would have meant in essence that in some cases the state would (?directly) interfere into price-setting policy. However, the preceding paragraph said that the state has to pursue its policy in order to make it acceptable from the social viewpoint and that it has to employ economic and democratic means to this end. These means include regulation of some prices. At issue are prices, which will be in organizations with state participation of the prices of some basic foodstuffs, where this regulation cannot be ruled out. It is normal in other democratic states with market mechanisms.

[Tvarozek] Do you think, despite pessimistic prospects voiced on 27 July with regard to the Czech constitution, the two constitutions will be endorsed on the same day?

[Meciar] It is likely that the two constitutions will not be endorsed on the same day. However, I cannot rule out a surprise. We have passed over our documentation and our proposals. Today, I am going to fax the entire constitution to Mr. Klaus so that the Czech Republic Government will be informed. They still might catch up with us or perhaps even overtake us.

[Tvarozek] What impact will this have on the Federal Constitution's validity?

[Meciar] It means nothing because the Federation's Constitution envisaged that each of the republics could adopt its own constitution. This was agreed upon 24 years ago. At present we are merely in the process of transferring the implementation of the agreement. [passage omitted]

[Tvarozek] (?It ensues from the constitution) that the constitution gives considerable powers to the Slovak president. What do you think of it?

[Meciar] They are in line with the extent of present powers. On the contrary, his powers are constricted on some personal matters because he has to ask for the view of the Slovak National Council. This applies to recalling people from their posts and to other positions, for example. [passage omitted]

[Tvarozek] This constitution has been awarded an adjective of being a powerful constitution of the prime minister.

[Meciar] This is not true either. The prime minister's position is given in a normal way. The only feature which is different from the present ones is that the government will have the right—in cases when it considers the SNC laws incorrect—to return these laws to the SNC for discussion. But if the SNC passes them after the second discussion then they will become binding. In this way we respond to the practice introduced in our country, that laws are in fact formulated only in the SNC plenum without taking into consideration connections and without thinking things out thoroughly. A number of legal errors are being committed.

[Tvarozek] And so, it is in fact the legal errors that are the reason for all laws which you as the Movement for a Democratic Slovakia will not agree could go through, however ....

[Meciar] This is not an ideological question because the constitution is not being compiled purely for this election period, but instead for a longer period. These are legal errors that have to be explained by the government on every occasion because if it were to return the laws for other than these reasons, the parliament has the right to take action against the government and its ultimate action would be the proposal to recall the government. Incorporated [in the constitution] is the mechanism of stability in such a way that if there was more than one vote of no confidence in the government—or in other words if there was instability in the executive power caused by the legislative power, which would bear co-responsibility for this situation—then the president will have a chance to make a decision about new elections.

[Tvarozek] Do you know about any reactions from abroad to the draft of our constitution?

[Meciar] No, not yet. This (?constitution) has not been published abroad. Our experts consulted only individual articles, not the whole constitution, with some foreign

experts. Consultations were held also with the lawyers in the Czech Republic and so, I presume that there will be certain similarity.

It is not possible to apply the 1920 Constitution to our conditions and this wording is completely incompatible with the constitution of the Slovak state, for there is no parallel between them.

#### **Meciar Denies Remarking on Military Exercises**

AU2907190892 Prague RUDE PRAVO in Czech  
23 Jul 92 p 2

["(pm)"]-signed report: "Meciar: 'I Never Said Anything About Exercises on the Hungarian Borders'"

[Text] Bratislava (A special report)—"Hungary is organizing more exercises than NATO on its borders with Slovakia," declared—allegedly—Vladimir Meciar.

"I do not know where Vladimir Meciar got his information, but it overemphasizes the situation," said CSFR Defense Minister Imrich Andrejcek in Olomouc on 21 July. Vladimir Meciar said the following to a RUDE PRAVO correspondent in an interview granted on 22 July:

"I found out about my alleged statement from the newspapers. I was supposed to have made this statement on 6 July, but I did not see any reporter on that day. However, the Hungarian side, our ministers, government members, and so on have reacted to this statement. Everyone is quoting me, but it has not occurred to anyone, apart from RUDE PRAVO, to ask me whether this is true. I can say that this is not true. I never said anything about military exercises on the Hungarian borders. Two weeks ago, during a meeting with journalists from the For a True Image of Slovakia club, I uttered a single sentence about intensive aircraft training and the deployment of military units north of Budapest, but I did not say anything about exercises, maneuvers, or suspicious activities. This is nonsense from beginning to end. This statement ascribed to me is deliberate misinformation."

#### **Bratislava-Budapest Hot Line Established**

LD3007014292 Bratislava Rozhlasova Stanica  
Slovensko Network in Slovak 1630 GMT 29 Jul 92

[Text] Prime Minister Meciar and Tamas Katona, state secretary at the Hungarian Premier's Office, agreed at their meeting yesterday to form a hot line linking the offices of the premiers of the Slovak and Hungarian Republics in Bratislava and Budapest. Commenting on this, Meciar said that today there is an urgent need for the hot line because it will prevent the spreading of false information which might lead to a worsening of relations.

**Czech Government Statement on Slovak Sovereignty**

AU3007110892 Bratislava NARODNA OBRODA  
in Slovak 23 Jul 92 p 2

[Report by Vlado Gajdosik: "The Birth of a Czech Constitution Has Started; The Czech Government Assumed a Stand on the Declaration"]

[Text] Prague— At the outset of its session yesterday, the Czech Government adopted a statement on the Declaration of Sovereignty of the Slovak Republic, which the Slovak National Council passed on 17 July. The statement reads:

"The Czech Government understands the Slovak Declaration of Sovereignty as a political act of fundamental significance, even though it is addressed, first and foremost, to the Slovak public. Slovakia's movement towards state independence is clearly expressed in it. In view of the fact that no immediate consequences in the constitutional sphere arise from its form and nature, the declaration goes only half the way and does not contribute to clarifying relations between the two republics, which we consider to be unfortunate. For the Government of the Czech Republic, the Declaration of Sovereignty of the Slovak Republic is a signal that is impossible to overlook and of which we take note with all due seriousness.

"The Czech Government is aware of its mandate to implement the goals of its policy statement and to protect the interests of the citizens of the Czech Republic, in the intentions of this policy statement. We consider it therefore completely legitimate to prepare all the necessary institutions to ensure the future independent functioning of the Czech Republic."

According to Czech Prime Minister Vaclav Klaus, the Czech Government assiduously debated for several hours the first version of the government draft of the Czech constitution. Comments were raised with regard to some of its parts. It was pointed out, for example, that a bicameral parliament consisting of a chamber of deputies and a senate has both advantages and drawbacks.

In the end, the Czech Government did not adopt this initial conceptual draft of a Czech constitution. According to Deputy Prime Minister Jan Kalvoda, this non-adoption does not mean rejection. Work on a second version will continue intensively and the government will discuss it on 29 July. Asked whether the Czech Government is not pressed for time, Vaclav Klaus said that the exact date of the adoption of the Constitution of the Czech Republic is now known and that he feels no need to peg it to the adoption of the Constitution of the Slovak Republic [scheduled for August]. The government draft of the Czech constitution will, however, definitely be ready by the end of the year.

**Government Fails To Approve Concept of Constitution**

LD3007143192 Prague CSTK in English 1653 GMT  
30 Jul 92

[Text] Prague July 29 (CSTK)—The Czech Government today failed to approve the concept of a Czech constitution submitted by the Government's Commission for the Constitution's Elaboration, Czech Premier Vaclav Klaus (ODS) [Civic Democratic Party] told journalists after the government's regular session.

He said the government approved instructions for drawing up a Constitution which should consist of two parts, one solving the citizen-state relations and the other dealing with the structure of state bodies and relations between them.

Envisaged is the existence of a bicameral Czech Parliament that would elect a Czech president, Klaus said. He explained that the parliament's Lower House would be identical with the current Czech National Council (Parliament) and the Upper House would reflect the regional setup of the Czech Republic.

The Czech Government recommends a two-level administrative arrangement, with communities constituting one level and regions (territories larger than current districts) the other, Klaus said.

Czech Deputy Premier Jan Kalvoda (ODA) [Civic Democratic Alliance] said that besides traditional powers, a Czech president would be entitled to solve constitutional crises and to dissolve the parliament under certain conditions set by the Constitution. He would also have the right to a suspensive veto, Kalvoda said.

A draft Constitution of the Slovak Republic was approved by the Slovak Government at its session 28 July and is to be adopted by the Slovak National Council (Parliament) in the second half of August.

The drafting of two independent Constitutions for the Czech and Slovak Republics stems from an agreement between the ODS and the HZDS [Movement for Democratic Slovakia], the June 5-6 election winners in the Czech and Slovak Republics, on ending the Czechoslovak Federation.

**Skalicky Views Privatization After Division**

AU2907191692 Prague HOSPODARSKE NOVINY  
in Czech 23 Jul 92 p 4

[Interview with Jiri Skalicky, Czech minister for the administration of national property and privatization, by Dana Dvorakova; place and date not given: "To Continue in the Correct Direction"]

[Excerpts] [passage omitted] [Dvorakova] You have said several times that you think that the second wave of coupon privatization will be divided....

[Skalicky] This is my private opinion. Such a decision will certainly ensue from the developments that are not within my powers. In view of the development of the constitutional crisis, I feel obliged to deal with the problem of the first wave and the fact that it may happen (and the result of the first round indicates it) that much more of Czech property will end up in "Slovak hands" (let us put, for the moment, aside the definition of what the Slovak hands are), than Slovak property in Czech hands. To put it simply, Slovak investors are more interested in the property of the Czech Republic. However, we have reached a conclusion that it is more important for the first wave of privatization to be carried out quickly and in such a way as not to disturb the security of the individual investors or funds. This is why I do not believe that it would be reasonable to intervene in the progress of the first wave. The difference, regarding the division of property, can be solved later by allowing compensation between the two Funds of National Property. The public does not have to be afraid about the fate of the shares they will acquire in the first wave. In my opinion, the escalating constitutional crisis will certainly end up in the division of the state. If this happens, then it is in the interests of the Czech Republic to separate the second wave of coupon privatization, so that only the Czech Republic citizens will be allowed to apply for their share in the property of the Czech Republic. This involves, of course, legal and technical problems. It would mean that the still valid federal transformation law would have to be amended. It would also be necessary to define who is a Czech Republic citizen and who is a Slovak Republic citizen. This is linked to constitutions of both republics.

[Dvorakova] How should the federal enterprises privatized in the second wave of privatization be dealt with if the Czech wave were separated?

[Skalicky] The way to divide federal property by coupon privatization is regulated by the currently valid transformation law. If a federal enterprise is based on the territory of one republic, then it will be privatized on its territory. In proportion to the population, the number of shares (that is one-third from the Czech Republic and two-thirds from the Slovak Republic) will be transferred to the National Property Fund of the other republic. These are the rules of the game valid in the first wave of coupon privatization. If the second wave is divided, there are basically two possibilities of how to solve the problem of federal property. The simplest one is to single out federal property and not to include it in the second wave of coupon privatization. The reason is that in the event of division of the country in a constitutional manner, the division of the federation's property should

not be subject to a constitutional law. Whatever is assigned to property of one of the republics will then be privatized there in a way the republic thinks proper.

Or the currently valid model will be used and the federal enterprises will be included in coupon privatization with the proviso that a preliminary agreement will be reached on the way property will be transferred. It is possible to consider the fact that an agreement on the division of property will be reached quickly so that it will be possible to include it in the second wave of privatization in each of the republics separately.

[Dvorakova] Do you expect that it will be necessary to prove the origin of the money entering the privatization process?

[Skalicky] This subject is being discussed for a long time, and I am afraid that certain circles have certain intentions. It is quite clear how difficult a problem it is. The attitude of rightist politicians, who point out that it is very difficult to distinguish clean and dirty money in this country, is well known. We are really not able to distinguish such money. The other problem is the protection of the state against a possible danger that capital resources of unclear origin would want to participate in the privatization process. I believe that it is possible to acquire information about such capital by taking various measures—not only in the banking sector—and face them, in need be. [passage omitted]

[Dvorakova] Do you anticipate that management will be provided credit under favorable conditions to buy "their" enterprise?

[Skalicky] In some instances, yes. For example, during the privatization of health care facilities. This is a sensitive sphere, and we cannot permit any shakeups there, or the jeopardizing of basic health care services, even temporarily. This is why we want to proceed in such a way as to provide advantageous conditions to health care workers so that privatization could be carried out as quickly as possible and high-quality services preserved at the same time.

[Dvorakova] From what sources? Will the difference between the current interest rate and the reduced rate on their advantageous loan be paid?

[Skalicky] We expect that in some special cases, such as the mentioned health care, we will try to cover the difference from the Czech Republic's National Property Fund. At the same time, I must stress that the fund does not dispose of unlimited resources. This solution can be adopted only on a limited scale. [passage omitted]

**Antall, FRY's Panic Discuss Future Relations**

*LD3007131992 Budapest MTI in English 1229 GMT  
30 Jul 92*

[Text] Budapest, July 30 (MTI)—Milan Panic, prime minister of Yugoslavia, stopped off in Budapest on Thursday [29 July], returning from his European peace tour.

Panic held talks with representatives of the Hungarian Government. His talks with Prime Minister Jozsef Antall focused on the future of relations between the two countries.

At a press conference following the talks, Panic said they wish to open a new page in bilateral relations. They strive for the peaceful development of relations. Panic said both Serbia and Hungary are interested in peace.

Over the past 15 days, since becoming prime minister, Milan Panic has visited many countries, holding talks in France, Spain, Great Britain and Russia, and meeting UN Secretary General Butrus-Ghali.

His talks were aimed at promoting the establishment of peace in the region. The main effort of his policy is to restore peace in Yugoslavia, to create democratization and a market economy, and to have the UN embargo lifted.

Panic said the entire country supports him in these efforts. He is aware that the task he accepted is very difficult, but he can count on major international assistance to attain these goals. Cooperation with Hungary is extremely important, and he has received a promise to this end from Prime Minister Antall.

Milan Panic said that as soon as the UN lifts its embargo against Yugoslavia, he will do everything in the interest of reviving, and developing Hungarian-Serbian economic relations.

Regarding the situation of the minorities, he said he wishes to act in a spirit of tolerance. Panic would like to see the American example gain ground in this region, in the sense that various nations and minorities be able to coexist peacefully, to the benefit of each other.

Panic said he would shortly open talks on the situation of the refugees. An agreement is expected to be reached with Croatia on the exchange of refugees.

**New Border Crossings Planned With Ukraine**

*LD2807201192 Budapest MTI in English 1821 GMT  
28 Jul 92*

[Text] Budapest, July 28 (MTI)—New border points will be opened between Hungary and the Ukraine, a Hungarian-Ukrainian joint committee decided at its first session over the past two days.

Speaking at a press briefing after the session today, Ukrainian Deputy Foreign Minister Mikola Makarevich

[name as received] said the Ukraine has spent nearly 1 million US dollars on modernising border crossings and wants both border zone and international traffic to become smoother.

If talks scheduled for August succeed, new crossings can be opened between Ujlak (Novoye Selo) and Tiszabecs, Asztely (Luzhanka) and Beregsurany, and Kaszony (Kosino) and Barabas this autumn.

Further, the session discussed proposals to set up a joint Historians' Committee to coordinate history and geography text book material in the two countries.

Makarevich was happy with the growth of inter-state ties, adding that Ukraine's ambassador to Budapest will soon take his post.

The Hungarian-Ukraine Joint Minority Affairs Committee was set up under a joint statement signed by the sides during a visit by Ukrainian President Leonid Kravchuk to Budapest last May.

Unique in eastern Central Europe, the statement called for an active minority protection policy.

To realise these goals, Budapest and Kiev agreed to discuss the tasks in a joint committee twice a year.

Discussing foreign policy, the session called for continued international action on minority affairs, Geza Entz, president at the Office of Hungarians Beyond the Borders, said.

Also, the committee will call upon further states to join a Hungarian-Ukrainian declaration on minority rights signed last year.

The document declares citizens' right to decide to which nationality they want to belong. It also calls for preserving minorities, ethnic, cultural, language and religious identity.

Croatia signed the declaration recently.

The session agreed Hungary and the Ukraine would cooperate in the Council of Europe. Budapest also counts on the Ukraine to take part in a Central European Initiative minority affairs cooperation.

The committee includes representatives of ethnic Hungarians in the Ukraine and those of ethnic Ukrainians in Hungary.

Present at the session, as representative of Ukraine, was Sandor Fodo, leader of the Sub-Carpathian Hungarians' Cultural Federation.

**EC Observers at Southern Border Areas Welcomed**

AU2907154792 Budapest NEPSZABADSAG  
in Hungarian 22 Jul 92 p 1

[Interview with Janos Martonyi, administrative state secretary at the Hungarian Foreign Ministry, by Tibor Eszes; place and date not given: "Hungary Welcomes EC Observers to Its Southern Borders"]

[Text] We asked Foreign Ministry State Secretary Janos Martonyi about Hungary's opinion on the recent statement issued in Brussels, according to which Britain, current EC chairman, intends to hold direct talks with the affected sides on deploying EC observers in the border areas, including the Hungarian-Serbian border.

[Martonyi] The decision to send observers was made by the EC Foreign Committee, a ministerial-level conference held along with the EC foreign ministers' conference with the participation of the same persons. A coordinating group prepared the draft decision in advance. In accordance with this decision, EC observers would be sent to Hungary and Bulgaria. The decision has been made, and this monitoring committee will soon contact the Hungarian Government. Naturally, we are ready to provide all possible support and begin the technical preparations to allow the arrival of these observers as soon as possible.

[Eszes] The deployment of EC observers along our southern border was originally requested by the Hungarian Foreign Ministry, but much earlier....

[Martonyi] Indeed, we proposed this in 1991, but a number of factors hindered implementation of this proposal, and there were technical problems involved. It seems, however, that these problems have now been solved and the observers can come.

[Eszes] When will they be able to actually take up positions?

[Martonyi] I will only be able to give you details when we are contacted, or when the Hungarian Government is officially informed about this decision. Obviously, they will refer to the readiness to accept these observers that has been declared repeatedly by the Hungarian Government.

[Eszes] Recently, at various forums, Budapest submitted another initiative, namely to send peace-keeping forces in Vojvodina and Kosovo under the auspices of the CSCE in order to avoid the spreading of fighting there too. Can we count on any progress on this issue?

[Martonyi] There are no new developments in this matter. The fact that EC observers will appear along our border with Vojvodina is considerable progress in itself. As for what future steps are necessary in case the tension increases, this is another issue.

**Jeszenszky Views Romanian Domestic Situation**

AU2907195992 Budapest UJ MAGYARORSZAG  
in Hungarian 27 Jul 92 p 4

[Interview with Foreign Minister Geza Jeszenszky by Geza Szavai; place and date not given: "Jeszenszky on the Minority Issue—We Are Striving for a European Solution"]

[Excerpts] [passage omitted] [Szavai] Opinions and analyses have been published in the Romanian press stating that Romania had not had a change of regime, the old communists remained in power after 1989, and they do everything to prevent the unfolding of real democracy. The so-called media council—from which the national minority members were excluded—came under central control. The rulers are already maneuvering to preserve their power in the autumn elections. According to some analysts, the dismissal of the Secler counties' prefects also served the interest of easier manipulation of the elections.

[Jeszenszky] I do not think it expedient to go into the background and motivation of a Romanian measure. This will be examined by local analysts, and I believe that they are mainly qualified to talk about this. I do not normally like speculations or free play of imagination.... Such a measure is certainly not a routine step. It is well known that the dismissed people are excellent and respected people who were also valued by local Romanians. I do not exclude the possibility that, in view of international reaction, the Romanian leadership will eventually withdraw its decision.

[Szavai] Even before the elections?

[Jeszenszky] The question is as follows: The world is mainly interested in whether the Romanian elections will be clean. Will they conform to the European democratic norms? The world will notice if they try to put people into important positions to influence the elections in some way. We are well aware that there are a number of representatives and senators in the United States who have signed statements condemning the Romanian national minority policy. Tom Lantos is the most well known of them, but we have also seen long interviews with U.S. politicians on Hungarian television who are familiar with Romanian conditions and the situation of Hungarians. While Romania is trying to achieve the status of most favored nation, steps like the dismissal of the prefects will certainly influence the U.S. decisionmakers.... There might be domestic election considerations in the background of these dismissals, but they certainly do not reflect overall political interest because, in my view, a satisfied minority increases respect for the state. This step will certainly not increase Romania's international prestige. Regardless of what the actual intention was, it does not serve Romania's interests. This is where the Hungarian politicians can express their views because, fortunately, Romania has recently been emphasizing its desire to improve relations with Hungary. It wants to make an overall agreement. We

said that national minority rights have to be included in this agreement. Hungary's reservations (I do not want to go into how justified they are just now) over a Romania that makes unfriendly steps, does not even respect the general European norms, and increases the already bad mood of the Hungarian minority, will only increase our reservations in the wake of such steps. For a long time now, I have been observing an apparent duality in Romanian politics that has a united motivation in the background. The duality means that they make hopeful steps that seem like propaganda—and when some hope arises that our efforts will bear fruit and the Romanian side will change its stiff and antagonistic attitude, then we always get a cold shower.

[Szavai] In Slovakia, however, the intention and the propaganda appear to be clear....

[Jeszenszky] I do not see it this way. I am not saying that the position of the Hungarian minority is reassuring in Slovakia, but their actual political and economic conditions are better than in the case of Hungarians in Romania.

[Szavai] I was hinting at the voices and echoes coming from the soon-to-be independent Slovakia....

[Jeszenszky] There are many different voices. Everyone understands them differently. I pay great attention to the worrying things and, I must say, the worrying voices are louder than the encouraging ones. However, let us not forget that Slovakia is a nation busy finding its identity. There are many steps in Slovakian politics that can be somewhat "excused" by the fact that this is a fledgling young nation and, in my view, we can wait a little more before finally making up our minds about the new Slovak government. I believe that the course Slovakian politics will take depends mainly on neighboring countries, especially Hungary, and the whole of Europe. Hungary, including the media, public opinion, and naturally politics, must assist Slovakia in choosing the right way. We also have to help Romania in this, but I must admit that the chances of settling the Hungarian minority situation are better in Slovakia. [passage omitted]

**Jeszenszky Discusses Case of Transylvanian Prefects**  
*AU2907195792 Budapest NEPSZABADSAG*  
*in Hungarian 25 Jul 92 pp 1, 3*

[Interview with Foreign Affairs Minister Geza Jeszenszky by Tibor Eszes; place and date not given: "The Decision Speaks for Itself—Jeszenszky on the Dismissal of the Prefects"]

[Text] In recent months, a number of signs indicated that Hungarian-Romanian relations at last are moving away from the standstill. The small but favorable series of steps seems to be broken by the hitherto unexplained decision by the Bucharest government to replace ethnic

Hungarian prefects in two Transylvanian counties with Romanians. We interviewed Geza Jeszenszky on how unexpected this gesture was, and what Budapest diplomacy would or could do in this situation.

[Jeszenszky] The dismissal of the Hungarian prefects of Harghita and Covasna Counties was unexpected from certain points of view, but there had been some previous indications. News that such steps were being considered had emerged. Both in Transylvania and Hungary, however, many people thought that this was only intended to frighten people and to test their reaction.

To tell the truth, I also thought that now, with international attention directed toward Romania rather intensively on the issue of obeying UN sanctions, then the Bucharest leadership would refrain from a measure that would spectacularly strengthen the views of those who have reservations about Romanian democratization.

[Eszes] Is Hungarian diplomacy planning any steps in support of protesting Hungarians in Romania?

[Jeszenszky] Even the Romanian opposition newspapers see the dismissals as a case of "shooting one into their own goal." I believe that the Bucharest decision speaks for itself, and when the news of it spreads further into Europe, that will qualify this step. There is no particular need for Hungary to call attention to this because it will be done by the people in the area and the affected counties through large demonstrations on 24 July and through promised protest action—the use of the yellow star indicating discrimination. These protests are the first logical series of reactions.

At the time of the dismissals, Laszlo Nikics, a high-ranking foreign affairs official, chief of a department, was holding discussions in Bucharest in the spirit of trying to improve relations between the two countries and the two foreign ministries in the areas where this seems easy. He immediately indicated, very properly, how the Romanian step can be viewed.

The next step is to observe the protest of the people who are affected. If in the future anyone asks the Hungarian Government or the Foreign Ministry for our views, then we must clearly point out how much this contravenes democracy and the general concept of national minority rights. In addition to people electing representatives, democracy also means that officials who understand the people's language and their way of thinking govern the people, directly or indirectly.

The teacher, policeman, priest, and judge have to speak the language of the affected population on some level or—ideally—they should come from them. The Romanian decision contravenes this to such an extent that it is hard to understand the motivation.

[Eszes] Petre Turlea, member of the Romanian Parliament, asked Prime Minister Stolojan to double the size of the Romanian Army and develop its presence in

Harghita and Covasna Counties, even if the money has to be taken from other areas. How can such a gesture be viewed?

[Jeszenszky] A serious politician—nowhere, but especially not in Romania, where the population is twice that of Hungary and the size of the Romanian Army is more than twice that of ours—cannot think that Hungary presents a threat. Even if they see all Hungarian recognition of obligations and declarations as scraps of paper, I doubt that responsible politicians would believe such a threat.

Only internal oppression can be the goal of such a step, a possible strengthening or redeployment of military force. The Romanian Army would not be dealing with a foreign threat. It would be given a "political task," that is diametrically contrary to modern European ideals. A country's army cannot march or even threaten to march against a particular group of citizens—who actually are extremely law-abiding!

#### Foreign Ministry Official Views Slovak Issues

AU3007104992 Budapest MAGYAR HIRLAP  
in Hungarian 23 Jul 92 p 3

[Interview with Janos Martonyi, state secretary at the Foreign Ministry, by Ivan Scipades; place and date not given: "Even a Denial Is Unfortunate"]

[Excerpts] The current CSFR Constitution makes no provision for division, only secession, that could result in various complications in international law. For this reason, the external, international legal entity and the legal succession will depend on settling the internal political law, Janos Martonyi said, among other things, when we interviewed him on the possible consequences of the Slovak declaration of independence and the Slovak autonomy on Hungary and on the Hungarian minority in Slovakia. [passage omitted]

[Martonyi] The Slovak side has actually mentioned—Prime Minister Meciar said this—that they want good-neighborly relations and close economic cooperation with us, and they will seek to work together along the borders and in the region. We want to maintain regional cooperation, and Visegrad and the Central European Initiative are forms of this. Last week, I met Pirek, deputy foreign minister of the CSFR, and we also agreed on the need to maintain relations and the Visegrad cooperation. [passage omitted]

[Scipades] The program declaration of the Slovak Government states that the government will respect the ethnic and national minority rights. Nevertheless, why are the Hungarians in Slovakia—if they can be seen as one category at all—concerned about Slovak independence?

[Martonyi] The Hungarian minority in Slovakia gave its reasons when it made its decision on the Slovak declaration of sovereignty, and I do not wish to comment on this. Whether the Hungarians in Slovakia are satisfied with their situation is their business. Naturally, we support their needs in the areas of establishing cultural and educational self-government, among others. However, the Hungarians in Slovakia themselves are qualified to present these needs and to represent their own interests.

[Scipades] Can the division of the CSFR raise border or territorial issues?

[Martonyi] I am not aware of anyone raising such issues. The Hungarian Government does not have the slightest intention of raising border issues. In my view, it is futile even to mention the borders and, because everyone knows that we do not claim any territory, I think that it is unfortunate to deal with this issue even in the form of a denial.

#### National Bank's International Reserves

LD2707182792 Budapest MTI in English 1610 GMT  
27 Jul 92

[Text] Budapest, July 27 (MTI-ECONews)—National Bank of Hungary figures on Hungary's international reserves (million US dollars [USD]):

|                                | April 1992 | May 1992 |
|--------------------------------|------------|----------|
| International Reserves         |            |          |
| Convertible Currencies         | 4,748.7    | 5,109.7  |
| Gold (valued at 320 USD/ounce) | 62.9       | 61.7     |
| Foreign Exchange               | 4,685.8    | 5,048.0  |
| Non-Convertible Currencies     | 46.6       | 47.7     |
| Other Foreign Assets           |            |          |
| Convertible Currencies         | 3,914.6    | 3,934.2  |
| Short-Term                     | 2,440.9    | 2,428.2  |
| Long-Term                      | 1,473.7    | 1,506.0  |
| Non-Convertible Currencies     | 1,268.0    | 1,300.3  |
| Short-Term                     | 912.4      | 928.2    |
| Long-Term                      | 355.6      | 372.1    |

### Skubiszewski, Kinkel Hail Border Cooperation

LD2907164692 Warsaw PAP in English 1544 GMT  
29 Jul 92

[Text] Warsaw, July 29—Foreign Minister of Poland and Germany, Krzysztof Skubiszewski and Klaus Kinkel, on a two-day visit to Warsaw, signed on Wednesday [29 July] agreements on Polish-German border cooperation.

The agreements provide for facilitations in border clearance, new border crossing in the region of Zgorzelec/Goerlitz (the southern section of the Polish-German border) and the connection in the same region of the Polish and German segment of a motorway. The accords also envisage cooperation and mutual assistance between customs administrations above all with the view to improving goods clearance and combating violation of customs regulations.

The ministers also signed an agreement on establishing a Polish-German prize to be awarded for the first time this year for merits in promoting Polish-German relations.

The two ministers stressed that the agreements are an important contribution to improving cooperation between administrations of the two countries, a step towards implementation of the international treaty provisions. It will encourage further development of bilateral cooperation and that on the European forum.

Skubiszewski stressed that the visit of the new German foreign minister confirms the "great weight attached by Germany to establishing good neighbourly relations and friendly cooperation with Poland." "Poland has received and continues to receive German assistance on the difficult road of European integration processes." The newly signed agreements prove that "concrete actions dominate" in relations between the two countries.

Skubiszewski also pointed to the weight of the "dialogue and certain political coordination" between the two countries, which is reflected by Kinkel's visit.

### Export of Tank Spare Parts to Syria Approved

LD2907182692 Warsaw PAP in English 1717 GMT  
29 Jul 92

[Text] Szczecin, July 29—The provincial prosecutor's office in Szczecin, north-west Poland, on Wednesday [29 July] gave the permission for a further shipment of 287 boxes of spare parts for tanks of the Czechoslovak make, destined for a Syrian customer.

The parts were detained in the Szczecin port early last June because of some irregularities in the shipment documents, according to the prosecutors' spokesman. An investigation was launched after it was discovered that there were car parts declared in the customs declaration forms instead of tank parts, to avoid higher customs duties on transit of arms, the spokesman explained.

However, as Syria is not covered by the U.N.-imposed ban on arms exports, Polish prosecutors agreed to a further shipment of the Czechoslovak freight. Its forwarding agent was a Polish-Czechoslovak-German company Intersped of Szczecin.

### Former Soviet Assets 'Practically Unfit' for Use

AU2907173792 Warsaw POLSKA ZBROJNA in Polish  
22 Jul 92 p 2

[Stanislaw Radziszewski article: "A Lot Can Happen Yet"]

[Text] Lower Silesian voivodships in which Soviet Army Forces were or are still deployed have gone through all kinds of situations since 1945. There were times when everything was fine, and there were dangerous moments, for example when a bomb was accidentally dropped from an aircraft and hit a peasant hut. There were violations of the law and conflicts. Needless to say, all this is not over. Before the Russians finally leave Lower Silesia and other parts of Poland, there is a lot that can happen. That is illustrated by the recent theft of radioactive cesium from a Soviet Army unit in Pomerania.

Several days ago, the voivode of Legnica asked the commander of the Silesian Military District for Polish Army assistance in safeguarding Russian facilities that had been handed over by Russia to the state Treasury. On 22 June, an agreement was signed providing Polish Army protection to 15 military installations in Legnica Voivodship, including 10 installations in the city of Legnica itself. It is difficult to decide, however, when all these facilities should be taken over by the Polish Army because no one knows exactly when the Russians plan to leave.

In connection with the news about the damage to facilities at the military airfield in Krzywa and the illegal trade in building materials, fuels, and metal parts spreading throughout Legnica Voivodship, a special team has now been formed to combat this phenomenon. It includes representatives of the voivodship administration, the regional prosecutor's office, the Office for the Protection of the State, police, and customs.

"There are many problems," says Marek Puzio, Legnica voivode press spokesman. "Despite the fact that they have been clearly defined in the agreement on the pullout of Soviet Forces from Poland, signed by the Polish and Russian presidents, the Russian side, or, to be more exact, the leadership of the Northern Group of Soviet Forces, interprets these problems in its own way. Concrete slabs, cables, and navigational aids are already being removed from the Krzywa airfield, and trade in fuels and building materials is being carried out there. The assets that have been transferred to Poland are practically unfit for further use. It is worrying that Polish citizens are taking part in this destruction. As a result of illegal deals, they have come into the possession of assets

that the Russians should have transferred to the Poles and which should have become the property of the Polish Treasury.

"There are about 100 vehicles of unknown origin at the Legnica airfield. As a result, the Voivodship Defense Committee has tightened up security around the airfield. Nevertheless, it is still not known where these vehicles have come from because, in accordance with the agreements, anything occurring inside premises still occupied by units of the Northern Group of Soviet Forces is beyond Polish control, and since the rules forbid Polish customs officers to carry out inspections at the airfields in Krzywa and Legnica, the Russians can take practically anything they want and transport it to Russia by air.

"Only after these premises have been handed over to Poland can the voivode undertake preventive measures.

"The only legal method of trade, and this is stated in the agreements, are bazaars involving the sale of movable assets. The Russians are free to organize such bazaars, but they have to give the Polish side at least seven days notice, and state exactly what is going to be sold. Not once have the Russians reported their intentions to hold such bazaars, but they are holding them all the same, in Legnica and surrounding localities, and selling anything that can be sold. One can buy bayonets, weapons parts, mercury, copper wiring, even brand-new aircraft parts.

"Concrete slabs are being dug up at the airfield in Krzywa. There are Poles willing to buy them. The municipal authorities of Olawa have already bought 1,500 of these slabs for 500,000 zlotys each. A 2.5 kilometer trench has also been dug, and cables and other equipment have been removed from it.

"The residents of the neighboring town of Bartoszow know what is happening at Legnica airfield. Aircraft runways are being dismantled there, just like in Krzywa. One can buy floorboards, skirting boards, and old furniture from the Russians. There used to be a three-story warehouse near Bartoszow. Two stories have already disappeared and only the ground floor is left."

Anna Piaseczna, assistant regional prosecutor, says that there has been a lot of so-called international activity over the past year, mainly involving the theft of goods by Russian citizens from Polish citizens and vice versa, including cheating during the process of illegal trade deals, and bodily injury. A Russian karate expert was even attacked, but his assailants were caught and tried. New aircraft parts, still in their original packaging, were "accidentally" discovered at a scrap metal heap. They were returned to the Russian unit that they had been stolen from.

The Legnica police are very busy patrolling the bazaars and street markets there. It is estimated that the state Treasury has lost about 20 billion zlotys because of the illegal trade in fuel. The state Treasury should have acquired the fuel, but never did.

Puzio says that there are increasing signs of activity in the so-called "fait accompli" method. The Russians lease premises to companies, and sell their housing accommodations to Polish families. Apparently, one company recently purchased Russian storage facilities that the Russians are supposed to hand over to the state Treasury. Obviously, the voivodship authorities will not honor any transactions that conflict with the law, but even so, there is no shortage of naive people.

Maria Kubasik of the Legnica municipal government says that the city has taken over 31 Russian fixed assets, including 221 apartments. Of these, 28 assets, including 202 apartments, have already been transferred to their future tenants for renovation, and three buildings have been put up for sale. An additional 53 apartments in 39 buildings have been taken over.

Some 138 apartments have been taken over by squatters. Legal proceedings are continuing against them.

Ryszard Szychowski of the Legnica police says that the discipline of Soviet Army drivers has improved, but they are still finding it difficult to adapt to the rules of the civilian Highway Code.

General Zdzislaw Ostrowski, Polish Government official in charge of affairs dealing with the former Soviet Army in Poland, visited Legnica Voivodship recently and met with General Leonid Kovalov, who has succeeded General Dubynin as commander of the Northern Group of Soviet Forces. They discussed a timetable for the pullout of the Soviet Forces and the transfer of their facilities to Poland. It was noted that many facilities vacated by the Soviet Forces have still not been handed over to Poland, that the Soviet troops have left many facilities in a devastated condition, and Polish engineers should be allowed to visit Soviet facilities before their transfer in order to assess the damage.

This information is based solely on Polish sources. The telephone number of the press office of the commander of the Northern Group of Soviet Forces, 26 284, in Legnica has been disconnected. Apart from this number, the press office has never given any address where information may be obtained. The only evidence of the existence of such an office is a report given to the Legnica voivode press spokesman about a meeting in Rembertow between the commander of the Northern Group of Soviet Forces and soldiers of a communications unit.

#### **Privatization Minister Suspends Wage Agreement**

LD2907151492 Warsaw PAP in English 1406 GMT  
29 Jul 92

[Text] Warsaw, July 29—The Privatization Minister Janusz Lewandowski on Wednesday [29 July] suspended the pay rise agreement reached between the management of the Fiat FSM Mini-Car Factory and the negotiating teams of trade unions earlier on the same day, until the opening day of the Fiat-FSM joint venture.

The wildcat strike staged at the Fiat FSM Factory at Tychy, southern Poland, delays that day, the minister's press release says.

### **SLD Statement Supports Workers' Strikes**

AU3007110592 Warsaw TRYBUNA in Polish 23 Jul 92  
pp 1, 3

[Report signed "DB": "The Workers' Protest Is Justified"]

[Text] "The Alliance of the Democratic Left [SLD], considering the strikes to be the final method of defending workers' rights, supports the motives guiding their participants," says a statement issued by the SLD National Election Committee on 22 July. "We are prepared to render assistance to the protesters. We consider the threats to dismiss striking workers to be reprehensible."

The SLD also demands that Hanna Suchocka's government quickly prepare an economic program that goes beyond mere generalizations contained in her Sejm expose.

The SLD statement points out that "there are various attempts to limit by law or eliminate the political and social rights of citizens." An example of such an attempt, according to the SLD, is the Senate bill on decommunization "that would deprive hundreds of thousands of former Polish United Workers Party members of their right to vote in parliamentary and local government elections," and "hundreds of thousands more would lose their jobs in larger state institutions."

"Adopting such legislation would be a blatant violation of the constitution and Poland's international commitments," we read in the statement, which asks all citizens for "active opposition" and promises to undertake "all possible measures to stop Poland from turning into a country of anarchy." The statement also says that "left wing politicians and activists, not necessarily SLD members, are under surveillance.....At a time when crime has risen enormously in Poland and corruption has spread among state officials, enormous funds are being spent on purposes directly connected with combating political opposition."

### **Macierewicz Views Vetting Controversy, Coalition**

AU2907185092 Warsaw ZYCIE WARSZAWY in Polish  
22 Jul 92 p 2

[Interview with Antoni Macierewicz, former minister of internal affairs in the Olszewski government, by Igor Zalewski and Piotr Zaremba; place and date not given: "Vetting Is Only a Pretext, the Suchocka Government Is the Real Issue"]

[Text] [ZYCIE WARSZAWY] In an interview for Radio "Zet," Henryk Goryszewski, the Christian-National Union [ZChN] deputy chairman, charged that when you

implemented the Sejm vetting resolution, you deliberately vilified people who were innocent and concealed the names of those who really were agents. How do you intend to respond to those charges?

[Macierewicz] I still do not know what was said. If that is what was meant, then I regret to have to say that I will have to place the matter in the hands of the law courts. It is completely unheard of for this type of charge to be made publicly, not only without any proof being presented, but also in a manner that contradicts all the facts. Since entering the Suchocka government, Mr. Goryszewski has been espousing the views of Mr. Cierniewski.

[ZYCIE WARSZAWY] How do you view the ZChN's decision to enter this government?

[Macierewicz] It is a mistake that goes completely against the political line we have followed to date. It is at odds with promises made to voters. Some leaders of the party, to the dismay of voters, have been unfaithful to our program.

[ZYCIE WARSZAWY] Did you try to convince the leadership of the ZChN of the validity of your arguments? Did you see an alternative?

[Macierewicz] I saw two solutions. One could have tried to form a center-right government. Had that proved to be impossible, we should have gone over to the opposition, and articulated the wishes of the majority of society from the opposition benches. That kind of opposition could have extracted various concessions from Mr. Milczanowski's government, a government of the left.

I would have also agreed to entering a center-left government, but on different terms. We should have negotiated actual, not mock influence in the government, and not have agreed to key political and economic posts being occupied by people who are identified with the Mazowiecki line, such as Mr. Milczanowski, Mr. Bielecki, and others. I received public assurances from Deputy Chairman Goryszewski, who negotiated on behalf of the ZChN, that that would not happen and that it was a sine qua non. That assurance was reneged upon.

[ZYCIE WARSZAWY] Why did that happen?

[Macierewicz] I do not want to start concocting hypotheses. I would like to ask those who made the decisions.

[ZYCIE WARSZAWY] What will you do now? Are you going to appeal the decision to remove you from the ZChN?

[Macierewicz] I will always act in accordance with the ZChN's program, that I created. Organizational matters are less important than values.

[ZYCIE WARSZAWY] In your opinion, are there other groups in parliament that espouse the same values, such as Mr. Olszewski's group?

[Macierewicz] So far, no center-right party has been equal to the task. The problem of integrating Catholic and nationalist groups committed to independence still lies ahead of us.

[ZYCIE WARSZAWY] Can the Center Accord play some part in that?

[Macierewicz] So far, the Center Accord has been making all kinds of different declarations. It is a party with which it will only be possible to cooperate occasionally, because its opinions often change.

[ZYCIE WARSZAWY] Let us return to the screening question. The ZChN's governing bodies accuse you of implementing the 28 May resolution in an inappropriate manner.

[Macierewicz] I disagree with that. Besides, I believe that there are other motives behind those charges. What the dispute really concerns is a change in the political course that part of the ZChN leadership has permitted without considering voters and the party's achievements. I was astonished to read that one of the charges against me was that I was travelling about the country and meeting people. I take that to be an admission that others do not have time for meetings with voters.

Various false accusations were leveled against me on the radio, in the press, and on television. Public meetings were the only means to convey the truth.

[ZYCIE WARSZAWY] One thing that some ZChN leaders hold against you is that Marshal Chrzanowski's name appeared in the Ministry of Internal Affairs material presented to the Sejm.

[Macierewicz] As a citizen and as a minister I had an obligation to tell the truth. Besides, the Sejm marshal has provided a public explanation concerning the matter.

#### **Union of Labor Parliamentary Caucus Created**

LD2807173392 Warsaw PAP in English 1642 GMT  
28 Jul 92

[Text] Warsaw, July 28—The newly created Union of Labour (UP) will be represented by its 6-member Parliamentary Caucus (KPUP) starting with the Sejm (lower house) meeting due to start July 29, Ryszard Bugaj, formerly leader of the Solidarity of Labour Caucus, announced on Tuesday [28 July]. The Union of Labour has 2,000 members in 40 provinces.

Bugaj proposed that the main political groupings should start consultations with the view to concluding a social contract. He said he had asked President Lech Walesa to promote this action.

Bugaj criticized the draft of electoral law prepared by the Democratic Union (UD) saying that it fails to create good conditions for development of democracy in Poland. The UP caucus will support the deputies' draft of the constitutional law "on mutual relations between the

legislative and executive bodies" considering it to be much better than the draft worked out by the Democratic Union.

The caucus is composed of four members of the Solidarity of Labour (SP), including Bugaj and Aleksander Malachowski, two independent deputies, one of them being Wiesława Ziolkowska so far cooperating with the caucus of the Democratic Left Alliance (SLD), and one member of the Solidarity 80. The fifth Solidarity of Labour member to join the newly formed caucus, Deputy Wojciech Kwiatkowski, failed to join the union.

#### **Provisions of UD Draft Electoral Law Discussed**

92P20346A Warsaw GAZETA WYBORCZA in Polish  
15 Jul 92 p 2

[Editorial Report] The Warsaw daily GAZETA WYBORCZA of 15 July 92 in Polish reports on page 2 in a 200-word article headlined "The Draft Electoral Law; The Art of Electing a Deputy," on specific provisions governing the nomination of candidates. On 14 July, the Sejm extraordinary commission met to discuss the draft electoral law as presented by the parliamentary club of the Democratic Union (KPUD), and decided on the following provisions:

- Political parties, national minorities, and even trade unions will be able to submit the names of their own candidates in the next elections to both chambers of parliament (Sejm and Senate).
- Those parties already in the Sejm but with less than 15 seats will be required to collect a minimum of 3,000 signatures, and not, as in the previous elections, 5,000—nor, as the 21 July report on TV's "Panorama" noted, no more than 4,500 signatures.
- According to the article, "voters can sign the lists for candidates any number of times."
- In addition, every candidate must be a permanent resident of Poland, in contrast to the previous electoral law allowing only that a candidate have lived in Poland during the last five years.
- The commission also decided that the name of the party leader be placed on the voting card next to the name of the electoral committee.

Trade union participation in the elections proved to be the most controversial issue. The commission decided that trade unions will be allowed to participate only in the upcoming elections, saying that this is "a temporary regulation applied to the next elections only."

The KPUD draft is based on the proportional principle: Parties will be given seats in proportion to the degree of support they received from the voters. Only those parties getting at least five percent of the vote throughout the country will get seats.

### Piracy of Western Computer Programs Reconsidered

90EP0548A Warsaw RZECZPOSPOLITA (ECONOMY AND LAW supplement) in Polish 1 Jul 92 p 1

[Article by Zbigniew Zwierzchowski: "Copied or Stolen: The Association 'Polish Programming Market'"]

[Text] In 1991, computer sales in Poland reached \$300 or \$400 million, while sales of computer programs totaled \$30 million. The disproportion is very great. It indicates that some part of the computer equipment serves our firms as ornaments.

Obviously, no one explains the phenomenon called piracy in such a naive manner. There is another explanation: "It is estimated that programming valued at \$100 million reached consumers by other, illegal ways," Dr. Roman Dolczewski told RZECZPOSPOLITA. He heads the organizational committee of the founding meeting of the Association "Polish Programming Market" that was held at the Warsaw Polytechnic on 30 June 1992.

In addition to the appropriate law on authors' rights (a proposed law is in the Sejm), the formation of such an organization is one of the conditions for civilizing the domestic programming market. It is an essential process if we want to disappear from the various computer piracy "blacklists" upon which various countries and organizations, whose interests are threatened in Poland, have put Poland.

R. Dolczewski is the president of the Polish-British partnership CSBI that sells computer systems and offers programming of domestic origin. He thinks that the wild programming market clearly harms the interests not only of foreigners but also of Polish firms, which in 1991 sold programming valued at \$5 million by Polish specialists.

The domestic computer market that developed so wildly during 1991 still differs greatly from normal markets, even the ones in Western Europe. There programming constitutes 70 percent of the value of computer systems sold; in Poland, the reverse is the case. In 1991 in Europe, sales of programming increased by 33 percent, and sales of equipment declined by 25 percent. In Poland, the situation is again different. More equipment is being sold. And although the number of computer installations is still relatively small in comparison with the highly developed countries, nevertheless, nothing explains such great differences between the value of sales of equipment and of programming in Poland.

"We had no doubts," said R. Dolczewski, "that an association working in the interests of the creators, producers, and distributors of programming must be formed, that the Polish equivalent of the American software publishers association that has a section in Europe with several thousand members would have to be formed."

The goals of the Polish Programming Market are similar to other organizations existing around the world, though

in Poland one of the main goals is normalizing the situation for authors' rights to protect programmers. The Polish Programming Market also intends to pursue violations of authors' rights or of producers' rights through law firms. The association wants to prepare reports on the Polish computer market using criteria recognized around the world.

Until recently, it was thought that a program once bought in the West had to be used to the maximum degree, to be copied. Those times have passed, but the remainders of such treatment of others' property have not been weeded out.

### Software, Intellectual Property Discussed

92EP0522A Warsaw RZECZPOSPOLITA (ECONOMY AND LAW supplement) in Polish 27 May 92 p X

[Interview with Professors Ryszard Markiewicz and Janusz Barta, directors of Jagiellonian University's Intercollegiate Institute for Invention and the Protection of Intellectual Property, by Ryszard Andziak; place and date not given: "A State of Uncertainty"]

[Excerpts] [Passage omitted] [Andziak] What is the status of computer programming in Poland?

[Barta] There is not a single word about programs in the copyright statute of 1952 that, except for trivial modifications, has not changed in 40 years. But that does not mean that protection does not exist. Nearly all the representatives of Polish legal scholarship have stated that software can have characteristics of creativity within the meaning of the previously mentioned statute. Note that copyright regulations in many other countries also do not mention computer programs, and yet it is recognized there that they are property worthy of protection. That protection is chiefly defined by judicial decisions. However, in countries having a high degree of legal consciousness only rarely are computer programs omitted from the regulations.

[Andziak] If copyright ensures computer programs of protection, then why, given that piracy prevails in our market, do their producers not decide to take the judicial path?

[Markiewicz] We are ourselves surprised by that. We basically know of just one decision of the voivodship court in Gdansk in 1990 in which protection was upheld on the basis of the 1926 statute on the battle against dishonest competition and on the basis of the regulations on the protection of personal property contained in the civil code. However, in justifying the verdict, the court explicitly maintained that it is possible to provide protection on the basis of copyright. Why does it not come to litigation? The explanation that we got from a representative of one of the large computer companies—we do not know how true it is—was more or less as follows:

We are not resolved to assert our due rights, because we are afraid that either the Polish court will recognize that the programs are not subject to legal protection (and then we will absolutely be in a doomed position) or else judicial opinion will go in the direction taken by the German judiciary.

[Andziak] What does that mean?

[Markiewicz] In 1985 a famous decision was issued in the FRG in the *Inkassoprogramm* case. According to that decision only those computer programs that markedly exceed the results of the work of an average programmer deserve protection. [passage omitted]

[Andziak] The copyright bill will require that computer programs be protected as literary works, and yet they are completely different categories of creations.

[Barta] A similar classification of programs also shows up in some foreign statutes. It serves several goals. First, it eliminates the possible ambiguity as to whether programs are subject to international conventions on copyright protection, because there is no doubt that those conventions apply to literary works. Second, it constitutes its own sort of guarantee that on the question of whether protection on the basis of copyright will be recognized, particular programs will not face requirements other than those that literary works face. Finally, with such a formulation it is considerably easier to say that programs are subject to protection even if the express term is not yet mentioned in the regulations. [passage omitted]

[Andziak] The EC Council's directive of 14 May 1991 calls for the introduction of uniform regulations on software protection in all copyright legislation in the Common Market countries, beginning next year. To what extent does the plan for our copyright law take that situation into account?

[Markiewicz] One may say that it takes into account the measures adopted in the directive; however, it is not a matter of simply transferring its regulations into Polish legislation. On some points the bill diverges from the directive, for example, in the area of freedom to decompile a program. [passage omitted]

[Andziak] A regulation that would have permitted a program to be exploited for analysis and for creation of an original program able to interact with it was removed from the text of the copyright bill at the last moment. In its place, a regulation was introduced with the following tenor: If the producer, without a valid reason, refuses information that is indispensable for the creation of a program able to interact with the his program, the person creating the program that is designed to interact with the producer's program may complete fundamental analysis of the program with which his program is supposed to interact. What do you gentlemen think of this change?

[Markiewicz] The current version of this regulation elicits our decided opposition. The range of decompiling

freedom is much narrower here than that provided in the previously mentioned directive for EC countries. What is more, there remains a doubt whether in light of the proposed change it would be permissible to analyze the program through observation, testing, and so forth—that is, through activities not dependent on its decompilation. In our opinion a wide-ranging freedom to decompile programs should be introduced into Polish law. This freedom would include the ability to exploit the results in order to make changes in the program for personal use and to create new programs that would not, however, compete with the decompiled program. If such a proposal is not adopted, we suggest that the recommendation contained in the directive for EC countries be used in the Polish copyright statute. However, we believe that the immediate introduction of a very high threshold of protection limiting the creativity of Polish computer scientists is not a happy solution.

Declaring ourselves in favor of a broad freedom to decompile computer programs, we are taking into consideration the functions of copyright that, after all, serve, among other things, the dissemination of learning and development. If, for example, we patent something, we are disclosing a solution, we are giving up a secret at the price of recognizing the law of exclusivity. In the version forbidding decompilation, we have the following situation: We are giving someone an exclusive right but at the same time we are protecting the secret of this solution through the prohibition of decompilation.

[Andziak] In the treaty with the United States on trade and economic relations signed in 1990 in Washington, Poland was obliged, among other things, to introduce the protection of computer programs as literary works under copyright law before the end of 1991. But in the opinion of the Americans, the copyright bill does not give them adequate protection.

[Markiewicz] Such a view is to my way of thinking controversial at least. The prohibition of decompilation introduced into the latest version of the Polish copyright bill gives extremely strong protection to computer programs, protection significantly stronger than that provided for in the relatively harsh directive of the EC. Taking into consideration just the application of the regulations on permissible private use in relation to computer programs, it should be said that the statutory protection in our bill does not violate the obligations resulting from the treaty. Furthermore, in its current shape it is stronger than that called for by the regulations and by American judicial opinion. I am watching for danger elsewhere, in the so-called amnesty regulation.

[Andziak] What sort of regulation are we really talking about?

[Markiewicz] In the bill there is a regulation that says that those users of a program who come into its possession before the date the statute takes effect will be able to continue to use it on condition that they do not distribute it to others. The statute will be passed in, say,

four months; then there will be a half-year legislative vacation. In short, pirates will go unpunished for nearly a year. This simply encourages increased activity contrary to the law. We feel that the limitation date should be the date the bill comes to the Sejm.

[Barta] But returning to the Polish-American treaty of two years ago, such vague wording gives a basis for discussing and questioning nearly every copyright decision, even decisions touching on issues about which there is absolutely no mention in the treaty.

[Andziak] The bill defines what is subject to copyright as every result of intellectual activity that has traits of its creator's personality, established in whatever form, regardless of the value, purpose, and method of expression. How can one demonstrate that a computer program carries the traits of its author's personality?

[Barta] We fear that such a definition of creation may add to the trouble in protecting software. It would be much better to accept a more neutral term, for example, that it is a sign of creative activity that is individual or original in its nature. That would give the judge greater freedom, if needed, in evaluating those traits. [passage omitted]

[Andziak] Punitive regulations should play an essential role in the area of copyright protection, especially in the face of universal piracy. Does the bill consider that?

[Barta] We have reservations about the regulation of criminal responsibility. On the one hand, the penal provisions are so extensive that they embrace every act, even if not undertaken for monetary profit. On the other hand, there is no regulation that would have foreseen a form of criminality of the kind that piracy is, namely

criminality classified as deserving of a particularly negative assessment and harsh sanction. Finally, an additional criticism is connected to the prosecution of perpetrators. We do not understand why it can take place only on the basis of a private accusation. It seems to us that the most important offenses should be prosecuted either on the basis of a public accusation or at the petition of the injured party. The mere fact that the prosecutor can at any moment bring suit is not enough. We realize that this would be an additional duty resting on the organs of prosecution. But this is not a question of computer programs alone but also of organized pirating activities in the sphere of rights to other works protected by copyright. The standard of good protection depends not only on raising its level but on making it easier to press claims.

[Box, p X]

Jagiellonian University's Intercollegiate Institute for Invention and the Protection of Intellectual Property was created in 1972. Aside from the Max Planck Institute in Munich, it is the only scholarly institution of the sort in Europe. The issues it is concerned with found reflection in the Institute's organizational structure. Its internal units include the Institution for Invention and the Protection of Industrial Property, the Copyright Institution, the Institution for Mass Communications Law, and the Institution for Antitrust Law.

Last year the Institute prepared a series of opinions on bills and other regulatory acts for, among others, the Patent Office of the Republic of Poland, the Legislative Council, and the Constitutional Tribunal. The Institute is also doing research aimed at bringing Polish legislation into harmony with the standards of the EC countries in the sphere of intellectual property.

**Ministry Spokesman Discusses Moldova Situation***AU2907201092 Bucharest ROMPRES in English  
1824 GMT 29 Jul 92*

[Text] Bucharest ROMPRES, 29/7/1992—"The course of the conflict in the Dniester region so far attests that the 14th Army must be kept outside the conflict and that urgent negotiations are necessary between the Russian Federation and the Republic of Moldova in order to have that army withdrawn and, until then, to have its status defined" said Romanian Foreign Ministry Spokesman Traian Chebeleu to his press conference on Wednesday, July 29.

"The latest stands taken by that army's commander, General Lebed, who made provocative political statements after the signing of the Moscow agreement regarding the Dniester region's future inclusion in the Russian Federation—Ambassador Chebeleu said—prove once again that the doubts concerning the 14th Army's capacity to stay outside the conflict are not groundless."

"Of course—the foreign ministry spokesman went on—in the light of the Moscow agreement the fundamental matter is the legitimacy of a Russian Army's presence on the territory of the Republic of Moldova, irrespective of its identification number. We understand, though, that this presence will have a temporary character, until the conflict is solved."

"I am taking this opportunity—Mr. Chebeleu concluded—to reassert the Romanian Government's opinion that the Russian Federation must urgently withdraw its armed forces from the territories of other states, including that of the Republic of Moldova, an opinion which was also confirmed at the recent Helsinki summit of the CSCE countries, and that there has been no change in the Romanian Government's stand."

**Yugoslav Envoy Asks for Support in Solving Crisis***AU2907201292 Bucharest Radio Romania Network  
in Romanian 1900 GMT 29 Jul 92*

[Text] Mr. Desimir Yevtic, ambassador of Yugoslavia in Bucharest, during a meeting, handed Romania's president, Mr. Ion Iliescu, a message on behalf of Yugoslavia's President Dobrica Cosic. The document reviews at length the measures taken by Yugoslavia at home and abroad to promote a peaceful solution in settling the crisis in that area.

The dialogue between the chief of the Romanian state and the Yugoslav ambassador was an opportunity to brief each other on the views of the two countries on the conflict.

Mr. Yevtic discussed the efforts made by his country to implement the Security Council resolutions and Yugoslavia's readiness to cooperate in the already launched international initiatives to overcome the conflict.

During the meeting, which took place at the request of the Yugoslav diplomat, the ambassador asked for Romania's political support in solving the crisis.

**Statement Calls for Iraq To Apply UN Resolutions***AU2907181892 Bucharest ROMPRES in English  
1725 GMT 29 Jul 92*

[Text] Bucharest ROMPRES 29/7/1992—Another moment of tension was created in the last three weeks, seriously worrying world public opinion, following the refusal of the Iraqi authorities to allow the UN special commission to inspect the building of the Ministry of Agriculture in Baghdad in order to check the existence of documents and materials concerning activities banned under Resolution 687 of the UN Security Council, a statement of the Romanian Foreign Affairs Ministry reads and further stresses: A conflict has been prevented following great diplomatic efforts by the UN, by its secretary-general in particular. The solution agreed upon by the United Nations and the Iraqi authorities on July 27 allows the special commission to inspect the aforementioned building thus exercising the mandate it has been entrusted with by the Security Council to verify on the spot the destruction of the biological, chemical and missile capacities of Iraq.

The new confrontation between Iraq and the UN and its result lead to the conclusion that the situation in the Gulf can be normalized, Iraq can overcome the present isolation and the sanctions imposed by the Security Council in response to the aggression against Kuwait can be lifted only through the strict application of the Security Council resolutions.

The carrying into effect of the Security Council resolutions on Iraq means, at this stage, the unhampered activity of the UN special commission, the clarification of the situation of the Kuwaiti citizens taken prisoners during the occupation of Kuwait, cooperation with the Iraqi-Kuwaiti commission for border affairs, as well as the implementation of the Council's Resolutions 706 and 712 which allow, as a first step towards lifting sanctions, the export by Iraq of large quantities of oil to enable it to import food, medicines and other commodities needed by the Iraqi population.

Thus, serious sources of tension could be eliminated which is in the interest not only of Iraq but also of peace and security in the Gulf, of peace and security in the world.

**Nastase Outlines Foreign Policy Targets***AU2907141092 Bucharest ROMPRES in English  
1150 GMT 29 Jul 92*

[Text] Bucharest ROMPRES 29/7/1992—"It is clear that Romania will no longer promote the global policy of the former regime, referring to all zones and countries. But, on the other hand we have no right to lead a

provincial foreign policy," says the Romanian foreign minister, Adrian Nastase, in an interview with the daily AZI. "Romania has developed a strategy of bridges towards more remote zones... in order to establish privileged relations with those areas."

The head of the Romanian diplomacy has placed the recent diplomatic initiative of Romania in Central Asian countries, where, he considers that "a huge potential is at work, owing first of all to the natural resources of the area."

Giving details on the priorities of the foreign policy of Romania, Mr. Adrian Nastase said that "the situation in the Republic of Moldova continues to be to the fore, where rapid political evolution have taken place, that should be carefully evaluated, so that a regress be avoided, as well as another kind of subjugation in a new Soviet Union, reformed under the name of the Commonwealth of Independent States."

Mr. Nastase also mentions among priorities, the situation in Yugoslavia, where Romania has tried to take part in the effort to solve the crisis, considering that, as it has already been said, "we cannot look at a fire close to us, we must help the fire to be extinguished as soon as possible." In the same context, added the Romanian foreign minister, Romania is concerned to get open towards the new Yugoslav republics—to have a correct influence on diverging points of view existing on this geographic area—as well as to Albania.

According to Mr. Nastase, the relations of Romania with the Common Market continue to be of particular importance, and, in general, its efforts to join the bodies of Western Europe. Romania also intends to have a constructive dialogue and a privileged relation with the United States, and to tackle the ties with Eastern Europe, with Russia and Ukraine, in a pragmatic way.

In the opinion of Mr. Nastase, the necessity cannot be overcome to have in view both the relations with the countries of South America and Africa—for which certain priorities have to be established—and the problems in the Middle East, that will come to the fore in the next period. Mr. Nastase considers that "Romania has had an important part to play in this zone" and he thinks that

"it could participate, also in the future, in a more dynamic way and to the extent in which it will be asked to, in seeking solutions to the crisis in this part of the world."

**Gheorghiu Holds News Briefing on Harghita, Covasna**  
*AU2907184292 Bucharest ROMPRES in English*  
1805 GMT 29 Jul 92

[Text] Bucharest ROMPRES 29/7/1992—Virginia Gheorghiu, spokeswoman of the Romanian Government, appeared at a meeting with the press to the account read premier Theodor Stolojan on July 29 on the talks held the joint delegation of the Harghita and Covasna County organizations of the Hungarian Democratic Union of Romania and of the Democratic Convention on the release of the prefects of the two counties from office.

She stressed that during the debates solutions were advanced by government members underlain by the following principles: the legitimacy of the government to appoint its representatives in territorial administrative units; the nonexistence of relations of subordination between prefects and local councils and mayors; the observance of the principle of law and of civic liberties sanctioned by the Constitution; the government receives and debates objections and intimations related to its decisions by any citizen, groups or institutions.

By virtue of these principles to be found in all the stands taken by the members of the cabinet, the government has decided to continue its dialogue with the delegations of the two counties, the spokeswoman stated.

As for the draft resolution on vouchers circulation that was passed during the government's sitting it essentially refers to the setting up of a National Vouchers Agency to be included in the structure of the Ministry of Economy and Finance. In keeping with the points made by the government spokeswoman this new institution is meant to check and sanction the validity of the issue and circulation of the vouchers as well as of the certificates of property.

**Muslims 'Preparing For War' Despite EC Talks***LD2907132992 Belgrade TANJUG in English  
1203 GMT 29 Jul 92*

[Text] Sarajevo, July 29 (TANJUG)—Alija Izetbegovic, the Muslim leader in the war-torn former Yugoslav Republic of Bosnia-Herzegovina, stressed that the Muslims, regardless of E.C.-mediated talks on a solution to the crisis in Bosnia-Herzegovina, are preparing for war.

In a TV statement on Tuesday [28 July] evening Izetbegovic said that the Muslims have to respond to the international community's invitations for talks "because our absence would be interpreted wrongly, and we would be accused of being in favour of war."

Izetbegovic, the leader of the Muslim Democratic Action Party, announced new armed clashes in Sarajevo and its surroundings as soon as Muslim-Croat forces obtain offensive weapons.

The U.N. Security Council's embargo on all deliveries of weapons to Yugoslavia and its former republics continues in force. Izetbegovic's envoy to Turkey Ejup Ganic today received a negative answer from Turkey to his demand for weapons for the Muslims in Bosnia-Herzegovina.

For almost four months now the Muslim-Croat coalition, helped by regular troops from the former Yugoslav Republic of Croatia, have been fighting against the Bosnia-Herzegovina Serbs.

A cantonization is not a solution for Bosnia-Herzegovina because the population in these parts is mixed. In the majority of territories the population is so mixed, in towns especially, such as Sarajevo, that it is hard to draw any borders, Izetbegovic said.

The Muslim side's refusal to accept the European Community's proposal on cantonization of Bosnia-Herzegovina, has brought the E.C.-mediated talks in London between the three national communities to a stalemate.

In refusing the E.C. proposal on Tuesday in London, representative of Bosnia-Herzegovina Muslims Haris Silajdzic stressed that "new internal borders in Bosnia-Herzegovina can be only drawn in blood".

The representatives of the Bosnia-Herzegovina Serbs and Croats, Radovan Karadzic and Mate Boban have accepted the E.C. proposal.

**Serbian Leader Cites Progress at London Talks***LD2907102492 Belgrade TANJUG Domestic Service  
in Serbo-Croatian 2128 GMT 28 Jul 92*

[Text] Pale, 28 Jul (TANJUG)—Radovan Karadzic, president of the Serb Republic of Bosnia-Herzegovina (SRBH), has said in a statement to SRBH television that the Serb delegation, which he heads at the London negotiations, will meet Yugoslav Prime Minister Milan Panic on the afternoon of 29 July.

"I believe Mr. Panic will want to meet all three delegations from Bosnia-Herzegovina," Karadzic said, adding that this "would be very useful."

Referring to the talks in London that took place yesterday and today, Karadzic stressed that, as far as the Serb side was concerned, "the talks have not been unsuccessful. We have not started from zero; rather, we have taken steps forward in relation to the agreement reached in Lisbon on 18 March," he said.

Having noted that all three sides have accepted the Lisbon agreement and are expected to observe it and to develop the principles contained in it, Karadzic stressed that these principles "imply the eventual cantonisation of Bosnia-Herzegovina." He explained that the Serb side "has no intention of abandoning the conference as long as there is a chance of making progress."

"We agree on many of the points, but I cannot talk about them now," Karadzic said. He added that the sides particularly agreed on the need to work tirelessly on resolving humanitarian issues. We believe the time has come for the people of all three nations and religions, in other words for all people, to be given a break from war, suffering, and destruction. This break would help them to realize the advantages of peace and to put pressure on their leaders to end the war," Karadzic explained.

Asked if Lord Carrington had given up his mediating role in the Conference on Bosnia-Herzegovina, Karadzic said Carrington is chairing the Conference on Yugoslavia and that Cutilheiro had been entrusted with the chairmanship of the conference on Bosnia-Herzegovina, as a part of the Conference on Yugoslavia.

"In our view, Cutilheiro is very skillful, and the Conference on Bosnia-Herzegovina is in the hands of a very capable diplomat."

Karadzic announced that he would inform Cutilheiro and other negotiators about the fact that a special envoy of President Izetbegovic had asked Turkey to send arms to Muslims in Bosnia-Herzegovina precisely at the time of the negotiations in London.

"The world is aware now that Muslim leaders do not want peace and that they are trying to achieve their unjust and unfeasible aims through a war," Karadzic stressed and expressed his firm belief that "the international community will not condone this belligerence."

**Faction Leaders Agree to Cease-Fire Committee***LD2907171192 London PRESS ASSOCIATION  
in English 1559 GMT 29 Jul 92*

[By Sian Clare, PRESS ASSOCIATION Political Staff]

[Text] Leaders of Bosnia's warring factions today agreed to set up a committee to help organise a ceasefire, exchange prisoners of war and oversee humanitarian relief.

The representatives failed to agree on any political issues in three days of talks in London, European Community representative Jose Cutileiro said.

Bosnia's Muslim, Croat and Serb leaders will each nominate one representative to sit alongside those from UN agencies and the Red Cross on the co-ordinating committee.

It will be chaired by EC envoy Lord Carrington's personal representative in Bosnia, Colm Doyle.

The committee is intended to ensure that:

- Humanitarian aid reaches the people it is meant for;
- Refugees are allowed home and trapped civilians given free movement;
- Civilians in camps are released and prisoners of war exchanged;
- All organisations and people comply with ceasefire arrangements.

Mr Cutileiro told a news conference the committee would start work immediately and present a progress report within 14 days. The committee would make it "very difficult for any party to try to bluff or to avoid its responsibilities."

And he warned: "Any party which will not co-operate will bear a very great responsibility."

The committee was "a sort of confidence-building measure in the sense that the three parties are represented in it. We look at it as an instrument to be able to verify situations where there is sometimes grossly contradictory information."

Mr Cutileiro said a further round of talks was scheduled in London for the work beginning August 17.

The main stumbling block to movement on the future of Bosnia appeared to be Muslim reluctance to talk about a draft constitution while their people were being killed.

Mr Cutileiro said: "I do regret the unwillingness of the Muslims to discuss constitutional questions." The constitution was "a key element in the situation" because if an agreement could be achieved it would remove much of the sense of grievance.

He added: "This EC conference has never condoned...any constitutional solution that would reward the use of force and would accept the forced displacement of population."

Serbian deputy leader Nikola Koljevic said the draft included proposals for all three peoples to have three ministers each, despite there being far more Muslims than Croats in Bosnia.

Serbs also successfully included a suggestion for a court to give judgements on constitutional questions.

#### **Vucurevic on Conditions for Army Withdrawal**

*LD2907211692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1958 GMT 29 Jul 92*

[Excerpt] Bileca, 29 Jul (TANJUG)—Bozidar Vucurevic, president of the Serbian Autonomous Region of Hercegovina, told a news conference in Bileca tonight that the Army of the Federal Republic of Yugoslavia [FRY] "can eventually withdraw from the Konavli area and from Zupa Konavli [south of Dubrovnik], but only under certain conditions."

"If the FRY army is to withdraw, and if units of the Croatian Army retain control of the occupied parts of the Trebinje municipality, inhabitants of Hercegovina will regard this as treason," Vucurevic stressed.

He said "the regular Croatian army, which has deployed more than 10,000 men on the Dubrovnik-Trebinje battlefield, is fighting against Hercegovina"

The president of the of Hercegovina assessed that the recent decision of the Assembly of the Serbian Autonomous Region of Romanija about disputed and undisputed borders was "realistic and acceptable".

"The issue of borders will not be easy to resolve, because if they did not pose problems, there would be no war," Vucurevic said. [passage omitted]

#### **Bosnian Serbs Urge Muslims To 'End Hostilities'**

*LD2907184692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1802 GMT 29 Jul 92*

[Text] Belgrade, 29 Jul (TANJUG)—The Presidency of the Serbian Republic of Bosnia-Hercegovina today sent an appeal to Muslims living on the territory of the Serbian Republic of Bosnia-Hercegovina to end hostilities and start negotiations with Bosnian Serbian authorities, the Serbian News Agency [SRNA] reports.

The appeal, broadcast by SRNA, says that "the disintegration of Yugoslavia has led to the transformation of Bosnia-Hercegovina into three units," and that a political agreement, which has to be reached, will determine where they will live.

"For the time being, you are in the Serbian Republic of Bosnia-Hercegovina and you should enjoy the same rights as Serbs," the appeal says.

The appeal also says that many Muslim villages on this territory have handed in their weapons, that "they enjoy the full protection of the Bosnian Serbian Army and state bodies," and that "they are equal with Serbs in all respects."

"We do not wish to defeat you and to score a victory; we want to agree with you." The appeal then adds "this must be a firm agreement, which you will not violate as soon as someone from Zagreb or Sarajevo asks you to."

The appeal tells Muslims living on the territory of the Serbian Republic of Bosnia-Hercegovina to hand in their weapons, so that, as civilians, they can enjoy the protection envisaged by the Geneva convention.

**Agreement Reached on Yugoslav Army Withdrawal***LD2907230192 Zagreb Radio Croatia Network  
in Serbo-Croatian 2000 GMT 29 Jul 92**[Bozo Brdica report from Dubrovnik]*

[Text] In two to three days, the withdrawal of the Yugoslav Army from the occupied areas of the Dubrovnik municipality and the Republic of Croatia will begin, and it will be completed within a deadline of eight days. This is the most important detail of today's agreement reached by representatives of the Croatian Army and representatives of the Yugoslav Army at talks held on the British frigate *Avenger* in international waters south of Dubrovnik.

Today's agreement contains six points, and apart from the above-mentioned withdrawal of the Yugoslav Army from the occupied areas of the Dubrovnik municipality and the Republic of Croatia, it also contains provisions according to which the Yugoslav Army undertakes that during the withdrawal there will be no further destruction and that mine-clearing will be undertaken in accordance with jointly determined agreements. At the same time, the Croatian Army will not cross the present line of conflict until the complete withdrawal of the Yugoslav forces from Croatian territory has taken place, and during that withdrawal the heavy weaponry of the Croatian Army will be withdrawn to an agreed line. The Republic of Croatia guarantees that it will not endanger the sovereignty of the Republic of Montenegro, part of the Federal Republic of Yugoslavia, and Montenegro undertakes that it will not threaten the sovereignty of the Republic of Croatia. The implementation of these provisions, which is particularly important, will be overseen by UN and EC observers, who have also accepted a certain responsibility for their strict implementation.

Only the question of the withdrawal of the Yugoslav Army from Prevlaka, the southernmost point of Croatia, remained unresolved because the participants in the talks on the side of the Yugoslav Army proclaimed themselves not competent to resolve this question which, as they said, is exclusively political and not a military issue. However, it is clearly a question of playing for time because it was said that they would have to consult the matter at the highest levels.

**Rijeka Police Return Draft-Dodgers to Bosnia***LD2907163692 Zagreb Radio Croatia Network  
in Serbo-Croatian 1300 GMT 29 Jul 92*

[Text] Over the past 10 days, 4,000 men subject to compulsory work orders and military duties from Bosnia-Herzegovina have been deported by ship from Rijeka and Split and further on to our neighboring republic. This operation was planned and carried out by the Rijeka police administration, the center for social care, the Rijeka government, and Rijeka's travel companies following the instructions issued by the government

of the Republic of Croatia in the wake of a demand to this effect submitted by the government of the Republic of Bosnia-Herzegovina. This operation is of a permanent nature, it was said at today's press conference at the Rijeka police administration. Most of the deportees are tasked with military duties, a fact that is borne out by the several hundred uniforms they had discarded in the trains taking the refugees to Rijeka.

**Diplomatic Relations Established With Moldova***LD2907172392 Zagreb Radio Croatia Network  
in Serbo-Croatian 1700 GMT 29 Jul 92*

[Text] By exchanging notes between the Foreign Ministry of the Republic of Moldova and the Foreign Ministry of the Republic of Croatia, the two countries established diplomatic relations today. The two countries confirmed in their respective notes their adherence to the aims and principles of the UN Charter, the CSCE Final Act, the Paris Charter for New Europe, and the Vienna Convention on Diplomatic Relations.

**Serbian Participation in Election Discussed***92BA1247H Split SLOBODNA DALMACIJA  
in Serbo-Croatian 17 Jul 92 p 10*

[Interview with Milan Djukic, president of the Serbian National Party, by Josip Antic; place and date not given: "The Serbs and the Election: An Empty Voter's List?"]

[Text] "At this moment, the SNS [Serbian National Party] is not taking part in the election," it was announced in late June in one of the regular press conferences of the SNS. A week later, just before the deadline for submitting the state list, a new report came in from the party headquarters on Mazuranic Square in Zagreb: "The SNS is taking part in the election and is submitting an ethnic list!" What arguments lay behind the two contradictory statements? Are there tactical maneuvers hidden behind them that are aimed at raising the temperature of the Croatian political public? What do those in the party think about the election today in the midst of the bustling election campaign? Those are questions put to Milan Djukic, president of the SNS and the leader on the party state (or national, as he refers to it) slate and the man who says of himself that he would not wish his position even on his worst enemy. The interview was thus bounded on the one side by the Serbian and the other side by the Croatian perception of the same political reality of ours. The desire to understand one another was at some points the only bridge between us, and its fragile and firm points, it seems to me, are evident in the interview itself.

"It is a fact that in late June we presented in a press conference an undefined and undefinitive position of the SNS Presidium. We said: 'For the present, we are not taking part in the election.' The reason for that was simple and clear, and we had no petty political intentions. Our point of departure was the fact that the Serbs

still, not even today, have not defined in what way they will arrive at their legitimate representatives."

[Antic] The manner should not be ambiguous. This is an election?

[Djukic] Yes. But how are the minimal conditions to be brought about during the actual voting? The Serbs, as a minority nationality, are on the one hand identified just like all the other minority nationalities. The difference between them is that in the total composition of the population of the Republic of Croatia they have a share higher than 8 percent and the number of deputies in the Assembly in accordance with that share. That is the fundamental difference between the Serbs and other minority peoples. The Italians, say, know exactly that they will enter the parliament regardless of the political option. In Buje, but also in Pakrac, the Italians will vote for their representative. And they will do so twice, on the state list as a political body and the second time within their own Italian election unit. The Serbs are not in that position. On the one hand, they are no longer a nationality, but a minority, while on the other hand they are required to have 3 percent of the vote in the total electorate of the Republic of Croatia. How is that to be achieved when the Serbian electorate in Croatia has disappeared? I am referring here to those voters of Serbian nationality who at the moment have left behind the unoccupied parts of Croatia. I am referring to between 150,000 and 200,000 people. It seems to me that we are closer to the latter estimate.

#### Who Rebelled

[Antic] Left for the moment—for what reasons?

[Djukic] One of the main reasons why the Serbian population has left the unoccupied parts of Croatia is the uncertainty aroused by a number of perfidious methods applied against them and aimed at driving them to leave the territory of the RH [Republic of Croatia]. It is certain that those policies are aimed at imposing on the Serbian nationality in Croatia collective responsibility for everything that has happened in Croatia. From the very beginning of the activity, the SNS has fought so that collective responsibility would not be placed on the Serbs in Croatia. First of all, that category does not exist in the world. Beyond that, the Serbs in Croatia did not impose the war, nor did they impose the aggression....

[Antic] We agree on the nonexistence of collective responsibility. But who rebelled in Knin, who in Glina, who in Plitvice?

[Djukic] That was done by Milosevic's policy in the JNA [Yugoslav People's Army]. From the outset, we have been distinguishable from those who placed themselves at the service of the occupier and became servants of Serbian expansionist policy. We demand that they be tried and be held accountable for their crimes. But revenge cannot be taken on the families of those who were left on the other side. Dwellings of Serbs have been entered by force, Serbs have been issued dismissal

notices on the basis of the lists of the 1990 plebiscite (the referendum for cultural autonomy of the Serbs—author's note). Many left out of fear that threats against them would be carried out. Many were forced to flee under threat of arms of the JNA, for instance, in western Slavonia.

[Antic] Probably among the 200,000 people you mentioned there are those who left because they cherished an expanded Serbia?

[Djukic] We have clearly said what we think of them. But most of them, even those who went to the territory of the so-called Krajina, left because they could not be separated from their families. They left, but they did nothing against the interests of the Republic of Croatia. Many left because once they were given dismissal notices here, their social welfare was in jeopardy. It must be clear to us that in Croatia the Serbs are a category not given equal treatment in social welfare policy, in the opportunity to improve their standard of living, or in the opportunity of obtaining jobs....

[Antic] And that is the policy being conducted by the Republic of Croatia?

[Djukic] It is being conducted at the local level of government, and the government and Supreme Command stand behind it, but the government and Supreme Command are also the most responsible for failing to halt the conduct of such policies. The government must distance itself from such forces. They are today doing away with the Serbs, and tomorrow they will do that with Croats committed to democracy. It must become clear to Croatia that regardless of all the methods, the Serbs in Croatia will not leave for two reasons: because Croatia, as their homeland, belongs to them just as it belongs to the Croats, and because they cannot go to Serbia even if they want to. It has nothing to offer them.

#### Lower the Threshold of the Assembly

[Antic] Let us go back to the election issue. You did not want to take part in the election, because the Serbian electorate was so reduced that you supposed that you would not get the required 3 percent in the election. Do you have precise figures, and do you think that those 200,000 refugees, a large portion of whom are in Serbia, are actually voters for your party?

[Djukic] It is difficult to arrive at precise figures. There are perhaps more Serbs in those parts of Croatia under occupation, in Baranja, in Knin.... But there are none in urban communities. What is more, you know that Croatian citizenship is a condition if you are to be able to vote. It is obtained by presenting your certificate of origin, which is difficult to get if you are a Serb in Croatia.

[Antic] Do you have a certificate of origin?

[Djukic] I do, but my children do not. It is a fact that at this point in the area where the full legal order of the RH

is operational and in areas where it is possible to conduct an election campaign, the numbers are not sufficient for what we might call the Serbian option. Unless the Serbian option in the Assembly is obtained, it will not be possible to implement the constitutional law on human rights and freedoms and the rights of ethnic and national communities, especially with respect to cultural autonomy and participation of the Serbs in the executive bodies of government. That is why the threshold for the entry of Serbs into the Assembly should be lowered.

[Antic] You have mentioned areas in which there is no Croatian sovereignty, but it is possible to carry on an election campaign. I assume that you are referring to the so-called *krajin*as. You think that you would get a majority of the vote in those areas?

[Djukic] The *krajina*, as an artificial creation, has lasted almost two years, and we have broken off contact with the *opcin*as, because all the telephone lines were cut off a month and a half ago. Of the 11 *opcin*as there, we have steering committees of the SNS in six *opcin*as. We are convinced that we would be accepted tomorrow as the legal and legitimate representative.

#### The "Krajin

[Antic] On what do you base that when your party documents contain the assessment that "rural areas, especially in Lika and Dalmatia, continue to be under dominant influence from outside (from Serbia) and are fertile soil for extremism and radicalism, and accordingly are closer to the SDS [Serbian Democratic Party] than to the SNS"?

[Djukic] We have been receiving information from the "krajinas" every day, and that is why we say: reports that the "krajinas" are against Croatia and do not accept Croatia as their homeland are not accurate.

[Antic] Someone in Bratiskovci is nevertheless shooting at Sibenik.

[Djukic] The servants of Milosevic's policy are doing the shooting in Croatia. They have weapons and are holding the Serbian people hostage to their ideology. So long as they are kept disenfranchised, that ideology will continue to survive. The Serbian population in the "krajinas" will very quickly realize that the problem can be solved only with the authorities of the state to which they belong, and that is Croatia. They will hardly wait for that to occur, because over the last two years that population, in whose hearts that ideology has been unnaturally implanted, has not received anything from that expanded Serbia. They have been promising them prosperity, but they have brought them torture, poverty, war.... Do not forget that by splintering the Serbian people in Croatia, by separating the krajinas, you have separated families. You cannot lightly say that a father who has remained in the krajina will simply renounce his son who lives in that part of the Republic of Croatia where the state has full sovereignty. All of that has been

recognizable to us from the very beginning. We knew that there was no theoretical chance to bring about Milosevic's policy.

At the same time, the Croatian public must realize that there is no renewal of political sovereignty in the areas of the krajina unless the Serbs have a share. They now have an occasion to have in the Croatian Assembly Serbs who are willing to take part in restoring the authority of Croatia in the krajinas. You see, when the Serbs are not in the Assembly, the aggressor, the Republic of Serbia, has an argument before the world public: "There, you see, the election has been held, and the Serbs are not in the Assembly." Croatia ought to be mindful of that because of its own interests as a state and it should make it possible for the legitimate representatives of the Serbs to get into the parliament.

[Antic] If I understand you correctly, you do not consider a Serb on the ticket of any other party a legitimate representative of the Serbs?

[Djukic] Right. He may be a representative of the program of the party whose ticket he is on. They have conditions in advance, theoretical conditions, for entering the parliament. But the majority nationality will vote for them. After all, how can he be the legitimate representative of the Serbs in Croatia if 100 or 200 or 5,000 Serbs vote for him. Compare that to the national list, which will get 80,000 or 90,000 Serbian votes, but that will not give it those required formal 3 percent. That is unfair and unacceptable. I will not use the expression that we have been discriminated against, but that is a fact that Croatia must face. What is more, when it comes to the national list, this should also be said: The Serbs respect the age-old desire of the Croats to live in an independent and sovereign state. I also realize that in one phase that state identifies itself as an ethnic state, that it wants to feel and develop its freedom as a national identity. But that same thing, that freedom of national identity, is also a desire of the minority peoples, and accordingly the Serbian nationality in Croatia as well. A number of questions arise that have ethnic overtones, and we must answer them, and that is possible only through an ethnic ticket. Otherwise, the Croats themselves would ask us—Who are you, and who, if anyone, do you represent? That is the state of affairs at the moment, because however much certain people try to prove that Croatia is a civil state, it still is not.

I would also add that from the very outset we have been distinguishable from the attempts of Croatia to find some new Serbian leader, some ban, some Pribicevic.... We have said that the Serbs do not need leaders or bans, but an unburdened party which will not put itself ahead of others and which will be able to carry the burden of the unknowns which Serbs face in the future.

**We Are Taking Part in the Election**

[Antic] Let us go back to the question at the beginning of the interview. The SNS is taking part in the election. Why, when you point out the possibility of not getting into the Assembly at all?

[Djukic] Above all, because of the pressure of members and sympathizers.

[Antic] How many members do you have?

[Djukic] Between 4,500 and 5,000 members. But we have not ever been overconcerned about the number of members, but rather we have wanted our program to be accepted one day by citizens of Serbian nationality. We want to see Croatia the same as the Croats do—free and prosperous, provided it is truly a law-governed and democratic state in which all have their rights. That is why we have never complained in the world against Croatia, because in our estimate Helsinki Watch and

Amnesty International could not solve the problem of the Serbs in Croatia. That can be done only by the Croats, as the majority nationality, with the participation of the Serbs. We are taking part in the election in order to keep abreast of all the affairs of interest to Serbs that are bound up with protection of their national existence and identity. After the election, regardless of the results, we have decided to tell the world public and the Croatian public. The Serbs have articulated their objective through a political program, they know what they want. After the election, no one will be able to deny this. Consistent with taking part in the election, we will demand that certain instruments of a law-governed state begin to take effect. No one will any longer be able to say that the Serbs, a large segment of which has not placed them at the service of the aggressor, are "silent and unrecognizable." By taking part in the election, the Serbs will clearly say that they want to live in Croatia, that they are against aggression, but that they are Serbs.

**Bosnian Refugees Allowed To Cross Border**

LD2807144992 Zagreb Radio Croatia Network  
in Serbo-Croatian 1300 GMT 28 Jul 92

[Text] The drama of the 332 refugees from Bosnia-Herzegovina, who have spent several days at the Slovene border in Bregana, ended happily last night. After Slovene Interior Minister Dr. Dimitrij Rupel and his Dutch colleague Van den Broek agreed that the Netherlands will take in the unhappy refugees, the Slovene authorities allowed them to enter the country and accommodated them in Skofja Loka, Ajdovscina, and Ljubljana, which they will leave for the Netherlands on 31 July, sponsored by the Muslim [charity] organization Marhamat.

**President Analyzes Breakup of Yugoslavia**

92BA1196A Ljubljana DNEVNIK in Slovene  
23 Jun 92 p 3

[Article by Ivanka Mihelcic: "Vision, Stubbornness, or Luck?"]

[Text] *President Milan Kucan on the first anniversary of independence: rational analysis of all the factors that caused the collapse of Yugoslavia.*

Ljubljana, 23 Jun—"Tonight dreams are still allowed, but tomorrow is a new day." We were addressed with these words by Milan Kucan, president of the Presidency of the Republic of Slovenia, almost exactly one year ago in front of the Slovene Parliament and under the Slovene flag raised on a pole on the day of Slovenia's independence.

"It was a sort of emotional attitude on the part of Slovenes toward that day, which is an extremely important one in our history, when we declared the state's independence and set it as a starting point and a means of opening up to an equal, sovereign world," Milan Kucan recalled on the first anniversary of this event. In an extensive interview, which we are publishing in its entirety in the latest issue of NEDELJEC, he also explained the extent to which vision, stubbornness, and luck played a role in the preparations for that day of independence, which, as he said, has already lasted for a year and in which Slovene history has become so dense that it is almost impossible to perceive it rationally. Milan Kucan thinks that all three elements were present, but he nevertheless considers a fourth one the most important—the element of rational analysis and assessment of all the factors that led to the objective collapse of the former Yugoslavia.

For some people a long-standing dream has been realized, and for others, an incredible nightmare, we thought on this first anniversary of Slovene independence. In this context we asked the president of the Slovene Presidency, about the people who formed the former Yugoslav political leadership and who are still at the center of events today: Milosevic, Cosic, and Izetbegovic. Kucan said of Milosevic that he was a mere executor of Serbian

policy, which was based on the well-known Serbian memorandum authored by Dobrica Cosic. "Cosic's coming into the Serbian-Montenegrin leadership only means an attempt to ensure, to the extent that it is even possible, continuation of the policy personified by Milosevic. Actually no one is criticizing Milosevic for starting the war; instead, they are criticizing him for losing it.

"And no one is criticizing the goals of that policy, but rather Milosevic's inability to achieve them in a way more palatable to Europe," Kucan emphasized, and continued by saying that Cosic's arrival meant another attempt to achieve Greater-Serbian goals, not by war, but rather by diplomatic means, over a green table. "And that very fact," Kucan said, "in view of everything that is happening now in unfortunate Bosnia-Herzegovina, inspires some optimism. In fact, I think that on the day when the weapons become silent and talks at a green table start, a big part of the problem will be solved."

And Herceg-Bosna? And Alija Izetbegovic as a politician, statesman, diplomat, and finally as a naive person who has not learned anything from either the Slovene or the Croatian experience? "It would probably not be decent if I tried to assess Izetbegovic in this situation. I perceived him as a clearly honest person, and I agree with you that there has been a great deal that was honestly naive in his political steps. Many of his views were associated with the fear that what did happen would happen. Izetbegovic nevertheless sought any possibility of keeping it from happening," Milan Kucan said. At the same time, he explained that the solution of the Bosnia-Herzegovina formula was actually flawed in its foundations, since not even the mini-conference on Bosnia understood Slovenia's proposal that Bosnia be cantonized according to the Swiss model, in which those cantons would not be formed on an exclusively national basis. "We proposed the formation of three cantons, namely a Serbian one, where the majority population is Serbian, a Croatian one where the Croats are in the majority, and a Muslim one, where mainly Muslims live, but with the majority population taking complete care of the minorities living there," Kucan said, citing the basic idea of one possible formula for coexistence. The inhabitants there should at least try to live next to each other, if they cannot live with each other. Unfortunately, things took a different course and only caused people to turn bloodily against each other.

It is also a fact which should not be forgotten on the first anniversary of Slovene independence, simply because Slovenia has not and will not give up on trying to solve this bloody Balkan problem. As stated by president of the Presidency of the Slovene state, Milan Kucan, we cannot afford to, since we have become part of the large international family that bears a tremendous responsibility for resolving all sorts of complications to the south, and not just to the north of our borders.

### Data on Slovene Property in Other Republics

92BA1196B Ljubljana DNEVNIK in Slovene  
2 Jul 92 p 5

[Article by "(ml)": "Half the Property Expropriated"]

[Text] *The Slovene SDK [Public Auditing Service] has prepared data on Slovene enterprises' property in the republics of the former Yugoslavia. We have the most property in Croatia; substantially higher market value; the most was taken away from us in Serbia.*

Ljubljana, 2 Jul—Slovene enterprises have a great deal of property in the republics of the former Yugoslavia in the form of material investments and inventories, and also in business firms such as shops, warehouses, plants, representations, and enterprises' other work units; they also have a great deal of nonbusiness property, namely in the form of vacation facilities and apartments. The data on this property were not known for a long time, since it is not possible to obtain them from regular accounting reports. The Slovene government consequently adopted a resolution tasking the SDK with collecting and processing this type of data.

The SDK determined that the total (business and non-business) property of Slovene enterprises in the other republics of the former Yugoslavia, as of the end of last year, amounted to 29,124,510,000 tolar. This represents only 2.5 percent of the total property (material investments and inventories) of all 13,309 enterprises that submitted an annual account for last year. Data on property in other republics were provided by a total of 795 enterprises in the economic sector, and in this regard the property that they have invested in other parts of the former Yugoslavia represents 4 percent of their property (material investments and inventories); 42 percent of the Slovene property was expropriated.

#### Book and Market Value

The total number of business firms was 2,083 (conversion to independent enterprises or the annexation of business firms has already occurred). The value of these firms' property, as recorded in the business ledgers, as of 31 December 1991, amounted to 24,373,123,000 tolar, which is 9.5 percent of the property (material investments and inventories) of the parent enterprises. The market value of the business firms' property, however, has been assessed as substantially higher, namely 58,699,460,000, which is 140.8 percent higher than the book value.

The most business firms (959) and thus also the most property (46.8 percent of the property of all business firms in other republics), were registered in Croatia. Serbia is in second place, and if we also add Montenegro, a total of 663 business firms with 32.2 percent of the property of all business units were registered in the present Federal Republic of Yugoslavia.

### Investments and Inventories

As stated, the book value of the business firms consists of material investments and inventories. The value of the business firms' material investments amounted to 19,214,837,000 tolar, which represents 9.4 percent of the material investments of the enterprises to which the business firms belong. Building sites and equipment constitute 91 percent of the total amount. Building sites, in the amount of 11,034,004,000 tolar, represent a full half (57.4 percent) of the amount of the material investments, and the equipment was worth 6,458,621,000 tolar, which is 33.6 percent of the total amount of the material investments.

As of the end of 1991, the business firms' inventories were recorded at a value of 5,158,286,000 tolar, and their share of the total inventories of the legal persons to which the business firms belong is 9.9 percent. The structure of the business firms' inventories indicates that they include 8.9 percent inventories of material, spare parts, and minor equipment, 7.5 percent production inventories, 22 percent inventories of finished products, and 61.6 percent of the inventories is goods, which is completely understandable, since most of the business firms are in the area of trade.

### Apartments and Vacation Facilities

The SDK also especially collected data on the value of apartments and vacation homes, i.e., the so-called non-business property, which was provided by 614 enterprises in the economic sector. Their value amounts to 4,751,387,000 tolar. Most of this property, more precisely 98.7 percent, is in Croatia. Slovene enterprises estimate that the market value of the apartments and vacation facilities is 161.7 percent higher than the book value, and would amount to 12,433,206,000 tolar.

### Expropriation of Property

During the period from 10 October 1990 to 15 April 1992, property with a total value of 324,298,000 German marks [DM] was confiscated from 677 business firms of Slovene enterprises. One should also add to this value DM1,313,000 for the confiscated property of 23 nonbusiness firms, i.e., vacation facilities and apartments. A rough estimate indicates that altogether, 42 percent of all the property that Slovene enterprises have in other republics of the former Yugoslavia has been expropriated. Most of the expropriations have been in Serbia.

### Others' Property Here

The SDK also collected data on the property here of enterprises of the former Yugoslav republics. As of the end of last year, 352 business firms of enterprises from other republics had a total of 3,026,242,000 tolar in property. This property represents 12.4 percent of the property of Slovene enterprises' business firms in other republics, in regard to which one must, of course, take into account the fact that it was not possible to include

all the property of other republics' enterprises here. Property is intended to mean the book value of material investments and inventories.

**Distribution of Slovene Enterprises' Business Units in Republics of the Former Yugoslavia**

|                        |              |
|------------------------|--------------|
| Croatia                | 46.0 percent |
| Montenegro             | 2.7 percent  |
| Bosnia and Herzegovina | 16.2 percent |
| Serbia                 | 29.2 percent |
| Macedonia              | 5.9 percent  |

**Leftist Parties Collaborate for Elections**

92BA1220A Ljubljana DNEVNIK in Slovene 6 Jul 92  
p 3

[Article by Sonja H. Vogric: "Group of Seven"]

[Text] *What is new on the Slovene "leftist" political scene? It is quite possible that they will present a joint ballot in the elections.*

Ljubljana, 6 Jul—It is undeniable that something is happening in the Slovene left. For several months now representatives of several parliamentary and nonparliamentary parties from the so-called left or left-center bloc have been meeting. At least for the time being, this involves seven parties: the Social Democratic Union, the Socialist Party of Slovenia [SSS], Social Democratic Reform, the Slovene Christian Socialists, the Workers' Party, the Democratic Party of Retirees, and the Idrian Workers' Party NAPREJ [Onward]. The last four parties constitute the so-called social list—one could even hear that they would combine into a coalition, but so far they have not.

The main initiator of the alliance among these parties is the Social Democratic Union [SDU], which, as early as its establishment at the end of 1990, set unification of the fragmented Slovene left as one of its basic program tasks. Several such attempts have primarily involved the nonparliamentary parties, and there have been even more announcements about mergers that in the end were not carried out. Thus, only the SDU (months ago) signed a document on cooperation with Zakelj's Socialists, with whom they are to unite officially at the next congress of the SSS.

"This, however, would not substantially contribute to eliminating the distortion in Slovene politics that has

occurred through the absence of the left part of the spectrum. Now we have undertaken an alliance more ambitiously, and we have also invited the leftist parliamentary parties, the Socialists and the Reformers. The alliance is primarily to be related to our programs: what the left can do to protect the benefits of the increasingly more endangered majority of the population. Of course, it is also possible that such an alliance would bring new organizational forms and possibly even a joint appearance by these parties in the elections," we were told by SDU President Rastko Mocnik.

From what we were able to find out, a draft program or agreement among the parties is already being prepared, and at least three schemes for a possible future organizational alliance are being discussed at the increasingly more frequent and more or less closed meetings. According to one version, most of these parties would merge. The SDP, however, is still an open question in this regard: whether it will merge or only join as an independent partner party. Of course, one cannot believe that this quite strong party will merge with all the others into a completely new one, and if it does, then their association as partners is more likely. Above all, the third version is much more realistic: a so-called social front that would link the above-mentioned parties more closely in a confederal manner.

Furthermore, the "group of seven" also remains open to other parties that have a similar program. The door is particularly wide open (among the parliamentary parties) to Pucnik's Social Democrats, who for the time being are only peering at what is happening on the other side of the threshold, while agreements on possible alliances are alluring primarily to the parties that are not in Parliament. The coordinator of the nonparliamentary parties, deputy Andrej Magajna, says that because of their small number of members, which also affects their modest financial capabilities (how could they even afford campaign appearances?), and the high threshold for entering Parliament, these parties have literally been forced to ally themselves even before the elections, although they would rather do so afterwards; and another possibility is for them to associate themselves or merge with more powerful parties that are already in Parliament.

It is still hard to say what will come of all these pre-election consultations. The "parties involved," in fact, would rather not make any statements about this and are still concealing all sorts of trump cards, not least of all because in the attacks by the so-called right against the "leftist regime," the word "left" already acts like a red flag....

### Federal

#### **Panic Addresses Geneva Conference on Refugees**

*LD2907204292 Belgrade TANJUG Domestic Service  
in Serbo-Croatian 1753 GMT 29 Jul 92*

[Excerpts] Geneva, 29 Jul (TANJUG)—The Federal Republic of Yugoslavia will do everything in its power to establish a cease-fire in Bosnia-Herzegovina because this is a necessary for a comprehensive solution to the refugee problem. This was stressed in Geneva today by Prime Minister Milan Panic in his address at the international conference on aid for refugees from the former Yugoslavia. The gathering, held in the Palace of Nations, was organized by the United Nations High Commissioner for Refugees [UNHCR].

Speaking on behalf of Yugoslavia and the Yugoslav delegation, which the UNHCR invited as "an interested party" to take part in this international humanitarian meeting attended by 50 countries, Panic spoke at length about his current diplomatic mission and talks with European statesmen on ways to achieve peace in Bosnia-Herzegovina and resolve the problem of Yugoslav refugees. He underlined that the issue and the problem of refugees throughout the territory of the former Yugoslavia, and not just in individual republics, should be borne in mind.

According to Panic, the FRY cannot bear the burden of 400-500,000 refugees on its own; it expects help from the international community. He noted that Yugoslavia faces extra difficulties in resolving the refugee crisis owing to Security Council sanctions.

Panic's speech contained several appeals for the urgent establishment of peace in Bosnia-Herzegovina and for a gradual opening of communications among all former Yugoslav republics.

The Yugoslav government, he noted, is offering cooperation to all former republics, but this appeal has not been accepted.

In connection with this, he noted that most famous politicians everywhere have gladly received him as their interlocutor, while leaders of the former Yugoslav republics are hesitating to accept his invitation for contacts and talks.

On behalf of Yugoslavia, and in his own name, Milan Panic gave his full support to this conference and expressed gratitude for efforts which the UNHCR, the International Red Cross, and other international bodies are investing in a speedy resolution of the crisis of the Yugoslav refugees. He stressed that the FRY will fulfill all of its humanitarian obligations toward refugees and help them return to their homes. They need adequate material assistance in order to rebuild their homes. Like several other speakers, Panic condemned with indignation the practice of "ethnic cleansing" in certain parts of the former Yugoslavia. [passage omitted]

Milan Panic stated energetically that "he was astonished at such politicization of the conference," even more so

because this is an important humanitarian action aimed at providing aid to victims of the civil war in the former Yugoslavia. "I do acknowledge that you are not accepting us, but we are trying to help these helpless refugees and to solve humanitarian problems besetting Yugoslav refugees", Panic concluded. [passage omitted]

#### **Panic Arrives in London for Talks With Major**

*LD2907204692 Belgrade TANJUG in English  
1725 GMT 29 Jul 92*

[Text] London, July 29 (TANJUG)—Yugoslav Prime Minister Mr Milan Panic arrived in London from Geneva on Wednesday [29 July] and has immediately opened talks with British Prime Minister Mr John Major.

Mr Panic is expected to present ideas for a lasting political settlement of the Yugoslav crisis by peaceful means and for lifting the U.N. Security Council's sanctions against Yugoslavia.

Mr Major is expected to acquaint Mr Panic with steps taken in preparation for an international conference on Yugoslavia.

Great Britain, which currently holds the rotating Presidency of the European Community, will convene an international conference on Yugoslavia in London in late August.

Later today, Mr Panic will give a news conference in London's Savoy Hotel, which has already excited great interest.

Mr Panic is shortly to tour central Europe as part of his diplomatic effort to restore peace to former Yugoslavia.

His associates indicate that, after London, he will visit Budapest, for a meeting with Hungarian Prime Minister Jozsef Antall on Thursday morning. Their talk will focus on the speediest possible restoration of peace in Bosnia-Herzegovina and Yugoslavia, the same sources said.

Mr Panic was in Geneva on Wednesday, where he attended an international humanitarian conference on refugees from Yugoslavia. Before Switzerland, Mr Panic had visited Paris, U.N. New York headquarters, Washington and Madrid, urging a peaceful settlement of the Yugoslav crisis.

#### **Meets With Bosnian Leaders**

*LD2907204492 Belgrade TANJUG Domestic Service  
in Serbo-Croatian 1932 GMT 29 Jul 92*

[Excerpt] London, 29 Jul (TANJUG)—Today in London, Yugoslav Prime Minister Milan Panic had talks with Radovan Karadzic, president of the Serb Republic of Bosnia-Herzegovina, and Herceg-Bosnia leader Mate Boban about possibilities for a temporary internal division of the territory of Bosnia-Herzegovina before a constitutional solution on a confederal basis is reached.

Milan Panic held separate talks with Bosnian Foreign Minister Haris Silajdzic. In the course of the talks, Panic appealed for the easing of tensions, cessation of armed conflicts, and the opening of political negotiations on the resolution of the crisis in Bosnia. [passage omitted]

### Reportage on Panic Official Visit to Spain

W/A2907171692

For reportage on the visit by Prime Minister Milan Panic to Spain, including reports on his talks with Spanish Prime Minister Felipe Gonzalez, see the Spain section of the 27 July West Europe DAILY REPORT and subsequent issues.

### Military Budget Expenditures Outlined

LD2907160692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1149 GMT 29 Jul 92

[Text] Belgrade, 29 Jul (TANJUG)—The law on financing of the Federal Republic of Yugoslavia (FRY) until the end of this year, which the Federal Assembly adopted today, earmarks 63.7 billion dinars for the functioning of the federal state.

Although the share of the military budget has been reduced from 80 percent to 72.6 percent, the largest share of the budget—to the tune of 39.9 billion dinars—is earmarked for the Army needs.

Six billion four hundred million dinars is earmarked for military pensions; 4.4 billion dinars for pensions of veterans and for disability payments for veterans; and 6.6 billion dinars for the work of the federal bodies.

One billion one hundred million dinars, including 46 million dinars for refugees, is set aside for other purposes. Two billion four hundred million dinars is set aside for territories under UN protection. The rest is earmarked for budgetary reserves and for the repayment of some previously undertaken obligations.

Thirty-three billion one hundred forty-five million dinars, or 52 percent of budgetary funds, will be secured from primary revenue of the federal state. The remaining 48 percent will be secured from a loan from the National Bank of Yugoslavia to the tune of 19.9 billion dinars and by issuing FRY bonds to the tune of 10.7 billion dinars.

The state expenditure for this year will be 97.560 dinars, including expenditure in the January-July period which amounted to 33.8 billion dinars.

### Prominent Personalities Assess Panic Appointment

92BA1239D Belgrade NIN in Serbo-Croatian 17 Jul 92 pp 12-13

[Article by Tomislav Džadžić with the participation of Violeta Marčetić, Lidija Soldo, Jelena Karajović, and Branko Anđelković: "Optimism With Disappointment"]

[Text] Immediately after Milan Panic's election as the first prime minister of the Federal Republic of Yugoslavia, NIN asked well-known personalities for an opinion of the composition of the new government. Many of them were unavailable in the afternoon and evening hours of 14 July, and some of those asked were not willing to talk. Thus, member of the Presidency of Bosnia-Herzegovina, Fikret Abdic, was first of all "currently busy," and then "no longer had time." A similar message was sent from the office of Sulejman Ugljanin: "Someone will contact you!" But no one did. Here are the other refusals and responses in this NIN poll:

Veton Suroi, president of the Parliamentary Party of Kosovo: "Thanks, but I do not participate in polls as a matter of principle."

Slobodan Selenic, writer: "No, I would not like to participate, thank you! I am not in the mood!"

Borislav Mihajlović Mihiz, writer, in response to the question about whether he would comment on the composition of the new government, gave a brief answer: "No, not at all!"

Academician Radoslav Anđus: "No comment. May God help him!"

Borislav Kostunica, vice president of the Democratic Party and people's deputy in the Serbian Assembly:

### It Is Not a Government of Experts

Milan Panic has remained consistent with his support for forming a government of experts and not of political people. His position thus differs from the one advocated in Serbia by President Milošević and Prime Minister Radoman Božović—that the federal government should be concentrated, composed of the political parties represented in the Federal Assembly, i.e., of the Serbian and Montenegrin socialists and Seselj's Radicals.

Panic has tried to reject this kind of choice, and has thus in practice challenged the democratic validity of the May elections. He challenged the validity of those elections and of the Yugoslav Constitution all the more by announcing early elections by the end of the year and the need to adopt a new constitution.

It must be said, however, that he did not succeed in putting together the kind of government that he announced—a government of experts. His government includes anonymous figures and former political people whose competence could hardly be proven. In that government, unfortunately, there are also several ministers who could hardly be said to be sufficiently autonomous with respect to Slobodan Milošević and his regime. I am thinking primarily of Foreign Minister Jovanović and, for example, of Mrs. Radmila Milentijević, who is mainly known as Milošević's advertising agent in the United States.

Nikola Pasić, lawyer, president of the Serbian National Academy in Toronto, Canada:

### **Panic? Splendid!**

"Has Panic been elected?" Mr. Pasic asked when we invited him to participate in NIN's poll. He said enthusiastically, "Splendid!" But in response to a question about whether we had more of a chance with the government headed by Milan Panic than if someone else were its prime minister, he said:

"I heard that there were also several politicians in it.... I think that this is the last chance to settle the question of Yugoslavia without military intervention. We are working here to prove that the Serbs are not guilty."

Skeljzen Malici, vice president of the Socialist Democratic Party of Kosovo:

### **Very Encouraging**

Panic is a mystery to us in Kosovo. Perhaps Cosic will really get ready for a radical reversal in Serbian policy and for completely writing off Milosevic, but the reversal in Serbian policy promised by Panic, i.e., the establishment of a legal democratic order in Serbia, cannot be achieved without a radically new approach to the Kosovo question. I just heard on the news that in his first press conference Mr. Panic in a certain way accepted the possibility of talks on Kosovo's self-determination. That is very encouraging. I think that Cosic and Panic have realized that in the long run Serbia cannot be saved politically and economically without a decisive de Gaulle stroke in Kosovo, not just because it would prevent a new war, but also because it is a precondition for an overall solution to the Yugoslav and Balkan crisis. The Serbian and Albanian questions in the Balkans are linked questions. One cannot solve the Serbian question in one way, and the Albanian question in another.

Miroslav Sopevic, vice president of New Democracy-Movement for Serbia

### **An Expendable Person**

Milan Panic has very good chances, like all the Yugoslav prime ministers after the war. He has chances, but he is not a player who can get the better of Milosevic. Milosevic is keeping quiet now because of the presence of the Sixth Fleet in the Adriatic and the blockade of Yugoslavia, and the attention of the entire world, but he will not for long. He will clash with Panic over the transformation of social property, because Slobodan Milosevic and Radoman Bozovic will insist on preserving social property for the sake of social peace and to preserve their own power.

Otherwise, in order for Dobrica Cosic and Milan Panic to do anything, they have to privatize everything in this country except for natural resources, the postal service, the railroad....

Slobodan Milosevic, however, considers Panic only an expendable person. I knew that I was also a expendable person, immediately after Ivan Stambolic, Dragisa Pavlovic.... I was somewhere around fifth or sixth in that

hierarchy, but I knew where I would drop out. The rest dropped into thorns, and I dropped into private business.

Prof. Tomislav Popovic, director of the Institute of Economic Sciences in Belgrade:

### **Inevitable Ordeals**

On the whole, Panic's entire program should be viewed as a race with lost time, the realization of which will depend on three sets of circumstances:

Above all, time is the most important factor. I am afraid that the world's powerful people are playing some games of their own with respect to Bosnia-Herzegovina, and that peace initiatives have limited influence on the outcome of the situation in spite of certain encouraging signs and approaches in the United Nations and Europe (like Mitterrand's initiative for a peace conference).

I also expect great ordeals for the government's program in the isolated space of the FRY in view of the gaps in concepts and values between the political forces in the Assembly and the government, as well as the advanced processes of the neo-nationalization of the Serbian economy over the last few months.

Finally, major uncertainties also result from the possible effects of an explosion of the social bomb, in the circumstances of citizens' drastic impoverishment, and the collapse of the economy, which can have undesired outcomes in the conditions of irrational political fragmentation in the Yugoslav area.

Milicod Macve, painter

### **Compensation for a Curse**

The curse that I addressed to the United States, since it has magical power, had a reverse effect. A curse has a special meaning, and when it is sent to someone, it can also have a reverse effect. I deeply believe that Mr. Panic is a sort of compensation for that serious curse.

Panic is our Serbian and European predestined fate. The etymological base of this name is pan, which means "master." A synonym for Panonia, the land of masters, i.e., those who have panja (bread), i.e., a country that does not have hunger, also comes from that.

Consequently, one should literally root for Panic. He talks like my illiterate father Radovan: Work is victorious!

Prof. Dragan Veselinov, president of the National Peasant Party:

### **Unusual, but Likable**

It is still early to talk in detail about the government and its composition. It is still not clear which political force in Serbia the government is relying on. It is not clear how it can avoid control by the socialists, Milosevic, and the fascists if it should wish to take another path. Many people think that the government does not have any power at all, but that the army could take its side. That would be good, but it cannot

be observed for now. I believe that the Belgrade opposition, in spite of its refusal to acknowledge the legality of the elections for the so-called Federal Assembly and the federal government, will support Panic if it is certain that he will turn against Milosevic, that he wants to recognize Bosnia-Herzegovina and Croatia, and that he wants to withdraw the army from Bosnia.

For the time being Panic is acting unusually, but we think he is likable.

And as far as the minister of agriculture is concerned, I do not know of any reason that would hinder Panic from choosing any figure for minister of agrarian affairs. It would be good if he were to put someone in that position who would prevent the policy of robbing peasants and the renewal of obligatory purchases and state repression of peasants. If Panic chooses a liberal economist, then the public will know that he is not a bluffer and that he has really decided to eliminate the old system.

Toma Fila, president of the Serbian Lawyers' Chamber

I think that Tibor Varadi, the new minister of justice in Panic's government, is an extremely intelligent person and that he is fully suitable, but the others....

Naturally, it is the usual rule that we leave a prime minister alone to work in peace for 100 days, but we do not have the time to wait those 100 days. The elections cannot be at the end of November, but instead at the beginning of October, or even better, at the end of September.

I think that Panic's choice of a government is not good because there are many people from the old regime. If it is a government exclusively of experts, then Oskar Kovac, for example, cannot be in it because he is a member of the SPS [Socialist Party of Serbia] and he was also in Mikulic's government, he is a republic deputy in the Serbian Assembly.... Panic had to bring in experts and only experts, outside all the political parties, and afterwards they should create their own teams from whoever they want.

On top of everything, Panic's government does not have a single Albanian, and how can the problem of Kosmet [Kosovo and Metohija] be solved without a single Albanian? I think that it is a compromise government of Serbs and Montenegrins, which naturally is not valid.

Not only has the new prime minister not offered a comprehensive program, but not all the players have been brought into the field: The most important ministry, defense, has remained unfilled. Along with all of this, Panic has not announced how he will solve the problem of Bosnia-Herzegovina, nor said that he recognizes at least Slovenia and Macedonia. Nothing in his program is clear to me.

Prof. Ranko Petkovic, director and chief editor of MED-JUNARODNA POLITIKA

#### In a Wasp's Nest

It is quite certain that Mr. Milan Panic and his government will find themselves in a wasp's nest. If within a

period of 100 days he succeeds in preventing the armed intervention that is being announced and is possibly even approaching, and in eliminating the economic sanctions that will have an increasingly destructive effect upon all our lives, a monument should be erected to him while he is still alive, especially since it is the only possible way of getting out of the crisis and honorably entering Europe and the world. It is well known, however, that the power centers, not only those in the former Yugoslav republics but also those in Serbia itself and the FR Y, are outside his control.

Dragan Djilas, student provost at Belgrade University

#### That Man Has Energy

If Mr. Panic holds to what he told the students and what he stated in the Federal Assembly, I am certain that the students will fully support him. Naturally, the question arises of whether he can succeed in those efforts with this kind of parliament. Since I spoke with him personally for two hours, and I saw how much energy that man possesses, I think that he can. Also, in view of certain names that appear in the government (Matejic, Ivic, Varadi, Kovac, Persic...), and Mr. Panic's personal strength, I believe that they will succeed in outweighing the rest of the government, which was left there as a result of the compromise without which Mr. Panic would not have been elected.

#### 'International Role' of Panic Discussed

92BA1239C Belgrade NIN in Serbo-Croatian  
17 Jul 92 pp 10-12

[Article by Zoran Miljatovic: "A Capitalist With a Human Face"—first paragraph is NIN introduction]

[Text] The work has apparently been divided up: Milan Panic has been left the "international role," i.e., wrestling with the blockade, and the current republic authorities have been left with resolving life "under the sanctions." Somewhere in between is the "historic change in the system."

He was invited by the authorities. He was soon embraced by the opposition. And now, after his official election, both sides are suspicious. Consequently, it is not surprising that in the traditional American way Milan Panic "ended" his oath in the Yugoslav Assembly with a prayer for God's assistance. Even if he had wanted to, at that moment he would not have been able to address it to the new state's temporal potentates—only Dobrica Cosic, and for a short time also Momir Bulatovic, were sitting in the empty front row. The rest, by leaving after the first act, regardless of how busy they were (which is not bad for the public to see), avoided any potential awkward congratulations to the lover of red ties who announced to them that they were attending a "historic change in the system." They thus at least did not attend it until the end.

In Milan Panic's program per se, however, there were no signs of a revolutionary upheaval. The elaboration of four goals, which were already well known from numerous interviews by foreign media (peace, a free

multinational society, democracy, and "economic revival"), contained heresy only in bearable amounts; just enough for a slight sedative.

The next participants in the discussion, naturally, detected the following: a mention of Serbs outside Serbia only in the context of disarmament; the offer of at least partial reintegration of the region of the former Yugoslavia; avoidance of the inhumane aspect of privatization, and of Kosovo as well.... And, naturally, insufficient support for penetration of the truth about Serbia. There was an appeal from the Assembly podium to children not to be kept awake by terrible stories about threats of war.... Several history lessons were given, and some classic epic inspiration was also observed. Deputy Ratko Kremanovic expressed his predictions in the plural: "We expect that the prime minister and the government will be subject to Assembly supervision, because there are indications that institution will be utilized soon."

And someone has finally recognized Zarija Martinovic as a "great speaker" (what has escaped the public here for years now was realized by Milan Panic in an instant).

All in all, a little ritual, a little threatening, a little "we called attention" alibi.... And it was topped off by the emphasis on the word "peace." Support for changes, if possible without changes. The program was supported without reservations only by one Hungarian and one Muslim: businessmen from Novi Sad.

#### Media Assault

The voting, however, was favorable to Milan Panic, although the deputies in the Council of Citizens did not listen completely to their superiors—33 of them were opposed. The slight staggering by the deputies during breaks in the session, and even collisions, indicate that it was not easy for them, that they were at least confused (probably like those who elected them), but also that it would probably not be difficult to persuade them to change their minds, if necessary, as in the past. Formally, it is easy—according to the Constitution, only 20 signatures and three days are enough to launch an initiative to assess the prime minister's work....

"I would have voted against, but I was afraid that there would not be many people like me to defeat his election," we were told by one of the younger political cadres during a symbolic cocktail party in the Assembly's foyer. Apparently the real media assault that Milan Panic caused in the country, and indeed also in the world (unattainable for us even in the time of the biggest battles—newspapers and television throughout the world are full of him), was enough to cushion at least temporarily the increasingly more apparent dissatisfaction among those who invited him to this country.

As Borisav Jovic said the other day, by bringing in Cosic and Panic they wanted to "break through the blockade both externally and with respect to the opposition." "If everything had been all right they would not have invited me," Milan Panic also realized, along with: "If they had

had someone, even with twice as bad a program, they would have elected him." Thus, in the Assembly of what just until the other day was a model socialist country, with frozen faces and stiff composure they also had to swallow the idea of rapidly importing capitalism (with a human face—"You can also call it socialism"), hear that nevertheless the whole world is not against Serbia, and listen to a story about the future: not the favorite one about a tragic but dignified past....

Milan Panic nevertheless adapted his official speech—irrigated with a large amount of mineral water and with a noticeable effort to keep from shifting into English because of exhaustion (with a pronunciation very similar, they say, to that of U.S. presidential candidate Ross Perot)—to "the moment and to his listeners." He even allowed for state property:

"...The process of privatization should be accelerated through appropriate measures. The transfer of public property to state property should be partially accepted as a necessary transitional phase on the way to privatization." And it can only be "under economically rational conditions, and not as a means of acquiring property without compensation."

He did not, however, avoid throwing down a glove to a people corrupted, as someone said, by idleness: "...We will work decisively to close and reorient enterprises that do not have any market prospects." Or this glove, of a different but likewise painful type: "The government will propose to the newly formed states on the territory of the former Yugoslavia the formation of an economic union. We are also prepared for higher forms of cooperation and linkage."

For those who know him the latter, is not a surprise—Milan Panic is the type of Yugoslav that is already fairly rare here, and even with broader, "Balkan tendencies." This is approximately in accordance with the same thing as the long-term goals of official American policy. The power of Panic's backing is what is apparently causing increasingly more apparent fear and nervousness under Sijemen as well.

#### Risky Game

Panic emphasizes peace as his absolute priority. A partisan courier as a child, and a participant in the penetration of the Srem Front, he learned in time to value it. Peace is furthermore also a precondition for elimination of the sanctions, to which he is willing to devote "80 percent of his time." The fact that communication with the masters of the war will nevertheless not be easy was also demonstrated by Radovan Karadzic's answer, in the form of even more bitter struggles, to Panic's appeal to stop the "battle for Gorazde."

Now, however, Milan Panic can sign himself both as the prime minister and the minister of war, and so we doubt that in the future he will only send appeals to Bosnia. What can he do, however? Officially, there are none of our soldiers on the other side of the Drina, just a few weapons that President Cosic has listed. The world,

however, says that there are. But what will Panic say? If he accepts the former, there is nothing to do, and if he adheres to the latter, what can he do?

How, then, can he fight for elimination of the sanctions, which, as he says, is his measure of this government's success? Although he has apparently agreed verbally to a division of operational tasks in which he is responsible for the "international" part, for, as he said, "restoring Yugoslavia's international reputation" (he announced at a press conference on Tuesday evening that he will leave them alone for a month or two or three to deal with domestic issues themselves), it is uncertain how much this can satisfy a person who is obviously aware that a country's reputation is nevertheless not a matter of diplomatic wisdom and the ability to persuade, but rather primarily of its system itself.

Yugoslavia's democratic transformation, for which Panic sees consistent privatization as a precondition (i.e., economics—and in this he is close to Ante Markovic), nevertheless appears as the basis for everything.

Consequently, the delight of the republic's potentates that they will rule without interference until further notice may undergo serious ordeals. They were also announced by a person in whom Panic has boundless confidence—Dobrica Cosic. In his delayed general program address to the public, he announced a "reexamination" of the confederal elements of the state that had just been created, and he announced new elections (without the knowledge of the Socialist Party of Serbia, it says) for the end of November. At the same time, Montenegro is preparing its new constitution, defining itself as a "state of citizens." Serbia is still waiting.

The game in which Milan Panic is being portrayed only as a necessary evil for the struggle against the sanctions (against which the leaders cannot do anything), after which he will thus become unnecessary, is nevertheless a fairly risky one—not in the sense of a fear that our former big star will be removed from the flag and placed as the 51st one on the flag across the ocean, but rather a concern for people who would have a hard time parting from the profits of their positions.

#### It Will At Least Be Happy

For the time being, Milan Panic is being portrayed as a politician (an instant one, as he says himself) with big moves, broad scope.... He thus appeared unexpectedly in Helsinki and visibly interested even callous worldly reporters: "Milan Panic was more than an hour late for his own press conference. His glasses, which had just been broken, were in his hand. He did not have any idea what his own opening speech said. No matter—he continued to smile from ear to ear.... He is 62 years old, full of energy, he is as self-confident as a football star three times younger, and he is a master of the comic, killing metaphor. How could he bring peace to a region in which conflicts are continuing in spite of the peace efforts of the entire world? 'Perhaps I am the little straw that broke the camel's back,' Milan Panic answered. One got the

impression that Secretary of State Baker did not really know what to think about this charming but raging bull who claims that he will be able to achieve great progress toward peace in his homeland within a period of 100 days" (THE WASHINGTON POST).

He is planning a similar trip to Sarajevo.

At a post-election Belgrade press conference, although visibly tired he entertained those present with his simple logic. "At least it will be fun," was heard.

He obviously did not have fun, however, when he was putting together his cabinet. Individuals refused at the last minute (Aleksandar Mitrovic thus did not become the deputy prime minister even though he was cited as such in the English version of Panic's speech, and Stojan Dabic from Investbank did not become minister of finance....). He reserved Defense even earlier, however ("I had the best one—myself"), which led deputy Seselj to worry publicly about the fate of the further reorganization of the army....

He also wanted a certain Albanian, as well as a Muslim. He was in contact with Vladimir Pavicevic and Zivorad Kovacevic about foreign affairs, and there was also Mihajlo Sarapovic, but in the end, however, Vladislav Jovanovic was smiling with satisfaction in the Assembly corridors.

Dobrica Cosic's contribution, it is heard, was Miodrag Perisic, the new minister of information, a member of the gradualist part of the Democratic Party's leadership, a man, regardless of all the current criticisms, whose editing of KNJIZEVNE NOVINE at one time was a breath of fresh air for those stupefied by a lack of freedom.

There is also a calm top expert in his own field: Dr. Tibor Varadi, a UJDI [Association for a Yugoslav Democratic Initiative] deputy in the Serbian Assembly, as the new minister of justice.

In recent months Deputy Prime Minister Oskar Kovac has been one of the harshest critics of the activity of Radoman Bozovic's government: "The present steps are increasingly violating the existing constitution and betraying the platform of the SPS, thanks to which that party won the last elections.... The present economic system is conceived according to an administrative-bureaucratic model instead of a market one." He said this at the beginning of March, also adding that the consolidation of the economy most resembled "wasting time talking," because bankruptcy proceedings were being avoided for enterprises that were obviously "sick." As far as the transformation of social property is concerned, however, according to Dr. Kovac it is being done according to the East German model, which did not give good results there either. Now this well-known professor at the Economic School in Belgrade has an opportunity to support his positions with the arguments of the power that the FRY Constitution gives him.

### How to Do It Without a Messiah

Disciplined and valuable Economy Minister Nikola Sainovic, say those who have worked with him, saw his work in the Serbian Government a few months ago as follows: "The economy's operation has also been made more difficult because of the closed oil pipeline in Croatia and because of the severed long-distance power lines which hampered exports of electricity and because of the economic sanctions undertaken against Serbia. Furthermore, in conditions when a great deal of care had to be taken of refugees and volunteers, it became almost impossible to conduct a real economic policy."

Academician Ljubisa Rakic, minister without portfolio, did not sign a demand for the resignation of Slobodan Milosevic last month, but afterward he was very clear in BORBA: "Slobodan Milosevic represents an unsuccessful politician whose scope is very limited and who is not capable of looking at one problem for longer than one day.... He has a duty to resign in the patriotic interest of the Serbian people, but also of all the other peoples which are suffering in the new Yugoslavia because of his stubbornness."

Between a government of experts (this country obviously does not have too many of them) and the political one, Milan Panic, with evident compromises, has put together a team for which he himself immediately announced a rapid restructuring. A more fundamental reconstruction will probably already be necessary after the elections in November, if the government can even hold out until then.

According to FIGARO, saviors with a strong Anglo-Saxon accent are visiting Serbia these days. An accent, perhaps, but Milan Panic is not acting like a savior, which is not exactly an plus in a public accustomed to messiahs.

He will be sincerely delighted with everything that he achieves. The "yay" from "his part" (family and friends) of the balcony at the Assembly building at the moment when it was heard that he had been elected, was also like that. "We in the United States have a tolerant society in which people are respected because of what they can do for their children and their grandchildren, and not for what nationality they are," our new prime minister stated in Helsinki. That is an oath that can be believed—just like the cliffs that are becoming more and more apparent.

### Effects of Economic Blockade in First Month Viewed

92BA1239A Belgrade BORBA in Serbo-Croatian  
8 Jul 92 p 13

[Article by S.J. and B.C.: "More and More Concern, Less and Less Hope"—first paragraph is BORBA introduction]

[Text] Smaller firms, which are more flexible, are seeking a way out of the blockade through semilegal, illegal, and smuggling channels. The large ones have nothing left but to count off their days of survival.

Most of the firms of the Federal Republic of Yugoslavia [FRY] have more or less survived the first month since

the imposition of the UN's general economic sanctions against Serbia and Montenegro. Large enterprises, clumsy economic mechanisms, are sending workers for summer and forced leave, and counting off the days of survival with their inventories. Since no one has ever yet been able to prevent trade completely, however, it is natural that more and more "resourceful ones" are appearing in the business world. They are working through semilegal channels, illegal ones, and smuggling channels. Some of them will even make a good profit through these maneuvers. Bankruptcy will await thousands of others if the blockade continues until the fall.

One of the "resourceful ones" told us:

"In the first month of the economic blockade our biggest problem was acquiring certificates of origin for goods. If we want to export goods, we have to find a foreign company that will agree to issue certificates of the origin of our goods as their own. The transportation problem is resolved by registering our vehicles in other republics or foreign countries, and the imports problem by agreeing with the foreign partner that the goods on the shipping document will be addressed to any foreign firm to which the road leads through Yugoslavia. Our vehicles 'intercept' the trucks at an agreed-upon location and take over the goods," said N.N., the manager of a private firm.

"In the very first month we suffered enormous damage from the blockade, which amounts to several million dollars. One of our biggest clients that was advertising through us, the corporation Proctor and Gamble, whose turnover is \$25 billion a year, had intended to open an office in Yugoslavia and buy some factories. Because of the economic sanctions it gave up this idea, or more precisely, they were forbidden to have contacts with us, like Mars, the world's leading chocolate producer, which had intended to come into the Yugoslav market. With their failure to come and the general decline in buying power for both individuals and enterprises, our budgets have been drastically curtailed, and the profession has been crippled," stated Ivan Stankovic, vice president of the company Seatchi ana Seatchi.

Srboljub Tomanic, general manager of the Veleauto International corporation for the sale of foreign automobiles, a representative of Mitsubishi Motors, said that in general the damages have arisen because of the interruption of commodity, financial, and business flows. "We will find a way to maintain business contacts until better times, and since we plan for the long term, before the sanctions went into effect we ensured large inventories of goods, which will be enough for six months to a year, depending on our clients' buying power. Currently we are offering goods under terms that are twice as favorable, and whether sales will decline will be seen soon. The blockade, however, also had its positive side for us. Our competition has been suppressed," Tomanic said.

### Destructive Blockade

"This blockade is having a destructive effect on us, because we are not capable of continuing work normally.

Since most of our sales products are imported, the question is how long we will be able to function if the blockade continues. This month there were no major disruptions in sales because we already had goods stockpiled, but purchases have been disrupted. We have a considerable amount of goods abroad that have been paid for but which we cannot import, and so we are trying to do something in that regard in talks with the Chamber of Economy. The only thing left for us to do is wait, be patient, and see what the authorities will do. Only patience, because if the blockade is not lifted soon..." said Dragan Zlatkovic, director of the Premijer commercial firm.

"This month has not been much different from the previous months, because as a trading firm we were not oriented toward imported products. Since we deal in the sale of steel products, our business has not been significantly disrupted as far as the purchase of goods is concerned, because Serbian factories are shipping what has been ordered. We are being affected most by the decline in the population's buying power, which has been more and more pronounced in the last few months and which this month we felt more than before. The question is what will happen in the future and how it will happen unless something in this society changes," noted the private trading firm Kometa.

#### New Orientation of McDonald's

"Although the monthly balance-sheet for our business has not been done yet, and so we do not have any insight into our complete operation, the blockade on imported goods dealt us a serious blow. Our business is based on the sale of goods from abroad. We are currently working and selling goods from previously created inventories. Since this obviously cannot continue for long, we are planning to reorient ourselves and sell domestic goods," we were told by Liljana Prolevic, deputy director of Jupeks, which deals in the sale of Italian footwear.

Vesna Milosevic, who is responsible for marketing at Geneks McDonalds, stated: "So far our restaurants have sufficient food inventories and packaging that is imported. The blockade has not had too much of an effect on our business, because over 80 percent of the products that we sell originate from domestic production. If the sanctions continue longer than we can hold out, however, then we will probably have to close some of the restaurants." With respect to the increasingly more frequent rumors and "announcements" that the U.S. partner will withdraw its capital from Belgrade, Mrs. Milosevic assured the public that this would not happen, because "our consent is also needed for that."

"In order to be less dependent on imports, we have recently been intensively investigating possibilities (where and under what climate conditions) of producing the goods that we import in Yugoslavia," Vesna Milosevic said.

#### Serbia

#### Belgrade University Student Protest Viewed

92BA1239B Belgrade BORBA in Serbo-Croatian  
11-12 Jul 92 p 8

[Article by Z. Lukic and M. Grihovic: "Lessons in Rebellion"—first paragraph is BORBA introduction]

[Text] How "Student Protest '92," which last night was put "on ice" until the fall, began and proceeded.

Belgrade—After 26 days of an uninterrupted strike and several phases through which it passed, last night "Student Protest '92" ended, or was rather "put in a state of suspension," with a rally and a rock concert. The rebellious students will go on a "well-earned vacation," and instead of them, a crisis headquarters that will operate through the summer, probably in the Rectorate building, will keep track of the political situation and their demands, which they will not renounce. "If the situation requires it, we will call back the students even before the beginning of the academic year," the protest's main committee said.

Opinions about this marathon rebellion by the Belgrade University students are divided. Some people consider it a prank by idle and crazy academics, and some people a prank, but as an anti-Milosevic or antinecrophilic phenomenon, while for some people it was the last gasp before Serbia's final drowning. We asked some of the members of the organizational committee of "Student Protest '92" what the protagonists thought about this protest and its effects.

"The student protest justified its existence in the last few days. It is not worthwhile to talk about victory or defeat, because we are only part of a process that started even earlier in this country. It is important that the students, through their unity, showed that they distinguished and recognized political events, and that they knew what the opposition and the authorities represented. We also proved that we could not be manipulated. Nevertheless, the most significant thing about this protest is the determination of its participants not to give up their vital demands. We thus demonstrated that we are perhaps the strongest force in Serbia," emphasized Boris Stajkovic, a graduate student in medicine and a member of the organizational committee.

Goran Lapcevic, an ETF [expansion unknown] student, emphasized that the students were not naive enough to think that their main demand, the resignation of Slobodan Milosevic, would be met after their protest. "But we succeeded in fulfilling our first demand: that Belgrade University go on strike. Those other so-called political demands are actually a proposal for the way to settle this crisis most painlessly."

The opinion of Vlatko Sekulovic, a Law School student, is that from the beginning the student protest was fated to succeed. "In times charged with hatred, we succeeded in creating 26 days filled with love."

Everything actually started on 8 June when a proclamation was issued by the ETF students which said: "The situation in which we currently find ourselves does not permit us to continue to be mute observers of events that are jeopardizing the very existence of the citizens of Serbia...." The proclamation also presents demands that the students will adhere to until the end, regardless of various pressures. The formal beginning of "Student Protest '92" took place on 13 June in front of the Belgrade University Rectorate, and lasted for three hours, after which the protest was moved to the "student triangle"—the Philology, Philosophy, and Natural-Mathematics Schools.

The first evenings and nights of the protest passed in a euphoric atmosphere, with iconography and behavior borrowed from U.S. films about student protests ("Strawberries and Blood"). The students studied rebellion to the music of Belgrade rock groups, nevertheless seeking an authentic expression of their dissatisfaction.

The change in the date for holding the All-Serbian Congress of Depos [Democratic Movement of Serbia], which was supposed to be held on 21 June but was postponed for a week, inspired fear among the students because they suspected that they would not succeed in maintaining the tension of the protest until that date. Rock groups came to their "assistance," and discussion groups were held in which writers, actors, reporters, and professors participated.

The "crucial" day of 28 June moved most of the students to Nikola Pasic Square but did not interrupt the academics' protest. After a "visit" to the Congress, the students nevertheless returned to their schools and the protest took on different tones. The young rebels understood that their protest absolutely had to remain authentic.

In the second phase of the protest, mass "entertainment" replaced the discussion groups and activities. The first movement into the streets, on 30 June, attracted a great deal of attention from citizens, and in a way provided "fresh blood" for the academics' rebellion. The next activity that attracted the media's attention was the drawing and writing of messages to the president in Student Square.

The "march of peace," otherwise called the "picnic on Dedinje," was potentially the most dangerous moment in the course of the protest to date. Because of their inability to picnic on Tolstoy Street, the march moved to Mostar Loop, where a four-hour traffic jam was caused.

The last movement into the streets before the "freezing" of "Student Protest '92" could have been remembered for a clash between the students and "General" Seselj. The deputy, however, did not shoot at the students "armed with mined indices," and thus the rebellion did not end in blood but rather in a stage play in which Milosevic resigned—"more on this tomorrow."

## Montenegro

### Bulatovic Comments on Negotiations Over Prevlaka

92BA1247A Belgrade NEDELJNA BORBA  
in Serbo-Croatian 18-19 Jul 92 p 3

[Article by P. Janicic: "Generals Strugar and Bobetko the Negotiators?"]

[Text] Zelenika—As part of the visit of the chief of the General Staff of the Yugoslav Army, a minor tactical military exercise of naval warships was held at the entrance to Kotor Bay. Aside from General Panic, this military miniexercise was also attended by Momir Bulatovic, M.A., president of the Montenegrin Presidency, as a member of the Defense Council of Yugoslavia, Colonel General Pavle Strugar, commander of the 2d Military District, and Rear Admiral Nikola Ercegovic, commander of the Yugoslav Navy.

When the exercise was over, President Bulatovic said that the purpose of the exercise was to review the combat readiness of this segment of Yugoslavia's army. In answer to a newsman's question whether there had been discussion of Prevlaka, Bulatovic briefly stated that there have been certain delays in the negotiations concerning Prevlaka, but it is agreed that the negotiations should continue at a lower military level. That is, if negotiations do occur, then there would soon be a conversation between Col. Gen. Pavle Strugar of the Yugoslav Army and Gen. Janko Bobetko, commander of the Southern Croatia Military Front. At the same time this means that army commanders facing each other in the Eastern Dubrovnik Theater would meet in the first phase of negotiations concerning Prevlaka.

## Kosovo

### Albanians Abroad 'Forced' to Fund Struggle

LD2907103992 Belgrade TANJUG in English  
0948 GMT 29 Jul 92

[Text] Belgrade, July 29 (TANJUG)—Professor Arsim Gashi [name as received], an ethnic Albanian working in Switzerland, confirmed that his compatriots abroad are forced to finance the secessionism of ethnic Albanians in the Serbian Province of Kosovo and Metohija (Kosmet), that they have to earmark between 200 and 500 Swiss francs or German marks each month for the cause, the Belgrade daily POLITIKA EKSPRES wrote on Wednesday [29 July].

Secessionist leaders in Kosmet illegally proclaimed Kosovo a republic and want to annex it to Albania.

Ethnic Albanians are a national minority and do not have the right to form their own state, as they were warned by world statesmen, including Chairman of the Conference on Yugoslavia Lord Carrington, on a number of occasions.

Ethnic Albanians living and working abroad are sent 12 money-orders each year to settle their monthly "obligations" to the "Kosovo Republic", Gashi said. "Those who don't pay and who dare not to, are threatened by expulsion and—by murder", Gashi said.

"Even if they wanted to, the Albanians could not wage a war and they do not want to die in vain. Moreover, since they hold a monopoly in trade and are the richest people in Serbia and Yugoslavia, so they don't find it worthwhile to lose both their fortunes and their lives", Gashi said.

Ethnic Albanians control the bulk of the foreign-currency black market and they are involved in international drug-trafficking, since the "Balkan drug route" passes through Kosmet.

Kosmet does not want autonomy within Yugoslavia, it wants independence and the possibility of an ethnic Albanians' armed struggle for independence should not be ruled out, leader of the ethnic Albanians Ibrahim Rugova said in an interview to the Paris daily LE FIGARO on Monday.

Rugova heads the Democratic Alliance of Kosovo, the strongest ethnic Albanian party. He is also the president of the illegal Republic of Kosovo.

"Albanians realize that any armed struggle would end in disaster, for them in particular, and Ibrahim Rugova himself realizes this the best, although he has been fooling the Albanians by incessantly calling for an 'uprising'", POLITIKA EKSPRES commented.

Gashi's statement shows that even ethnic Albanians are gradually realizing that Rugova's various threats of an "Albanian uprising" represent an extremely see-through screen for manipulating his compatriots, POLITIKA EKSPRES said.

**Government Statement on Dialogue With Albanians**  
*AU2807202392 Belgrade POLITIKA in Serbo-Croatian*  
*15 Jul 92 p 11*

[Report on statement by Serbian Government on relations with the Albanian minority: "Dialogue With Representatives of Albanian Minority—Solution to Problems"]

[Text] The failure of representatives of Albanian political parties and movements of Kosovo and Metohija to arrive for the talks which have been proposed several times by Serbian Premier Radoman Bozovic, and the contents of the letter from the "coordinating committee of the political parties of Kosovo" clearly confirm an unwillingness to solve the current problems in this part of the Republic of Serbia peacefully and through talks. This was declared in yesterday's statement by the Serbian Government. The statement also says that the Serbian Government believes that dialogue with representatives of the Albanian minority is the primary and most effective way of solving the problems in Kosovo and Metohija. In that sense, the government is prepared to face the grave reality of Kosovo.

It will approach the dialogue openly and with the desire to advance the position of the Albanian ethnic minority in this province as much as possible.

Of course, the Serbian Government—as any other government would do—requires that the dialogue not exceed the framework of the status and rights of ethnic minorities as guaranteed by international law and by the UN and CSCE documents and principles.

The statement says that it is nonsense that the letter from the "coordinating committee" should claim that the Serbian Government is a slave to "stereotypes of ethnic minorities, to which two million Albanians from Kosovo cannot belong." The criteria of international law and documents of international organizations do not grade the rights of minorities according to the number of members of a minority on the territory of a country.

In some CSCE member states, there are far more numerous ethnic minorities than are represented by the Albanians in Kosovo, but they are not seeking—or trying to force—a special status for themselves.

The letter from the "coordinating committee" again distorted history facts, and repeated untruths about Serbia's annexation of Kosovo and Metohija. The well-known truth is that this region has, after the end of the Turkish occupation, been an inseparable part of Serbia's territory. No country can occupy or annex parts of its own territory.

As for the unfounded allegations in the letter about the "systematic terrorizing of Albanians, the suspension and ban on all legal Kosovo institutions, the forced dismissal of over 100,000 Albanians from their jobs and the persistent insistence on the policy of changing the ethnic structure of Kosovo," the Serbian Government again stresses to the domestic and international communities that it is not a matter of violation of the rights of ethnic minorities, but of ruthless abuse of those rights and an obstruction of the Constitution of the Republic of Serbia and its laws. The representatives of the Albanian minority in Kosovo are not fulfilling their duty of loyalty to the country in which they live, as they should according to international legal documents, but are persistently attempting to carry out their secessionist objective—to break off this province from the Republic of Serbia and the FRY.

As for the "change of the ethnic structure of Kosovo," the Serbian Government points out that the largest exodus of Serbian people from that region has taken place during the last 50 years under pressure from the Albanian separatists.

The approach of the Albanian representatives from Kosovo and Metohija to dialogue clearly reveals the stated objective, which is contrary to international law. The tone of the letter also does not give the Serbian Government the impression that the "coordinating committee" is being serious about the invitations of the Serbian Government to dialogue.

The very act of calling for an illegal formation of the "Republic of Kosovo" again confirms the violation of all the principles and obligations that follow from the documents of the Conference on Yugoslavia under Lord Carrington.

The Government of the Republic of Serbia again stresses its full openness to constructive dialogue, but does not accept the conditions from the "coordinating committee's" letter. The imposition of institutions which the letter claims are legal, and particularly the references to Kosovo and Metohija as republic, are contrary to the Constitution of the Republic of Serbia and present a brutal violation of its territorial integrity.

The government still believes that dialogue with representatives of the Albanian minority is the primary principle and the most effective way of finding a solution to the present problems, a dialogue which will be based on constitutional guarantees and international legal instruments and political documents regarding rights of ethnic minorities.

In that respect, the government is issuing an invitation to talks to representatives of Albanian political parties and movements in Kosovo and Metohija and is doing so openly, the statement concludes.

#### **Kosovo Parties: No Solution Within Serbia**

92BA1247B Belgrade NEDELJNA BORBA  
in Serbo-Croatian 18-19 Jul 92 p 5

[Article by M. Antic: "There Is No Solution Within Serbia"]

[Text] Pristina—In a conversation with De Bosse, representatives of the political parties of Albanians presented their view held in common and firm conviction that there is no possibility of resolving the issue of Kosovo within Serbia with any kind of autonomy. We feel that an analysis is yet to follow of Kosovo's constitutional status that would prove that Kosovo was much more a federal unit previously than within Serbia. Only treatment of Kosovo as the earlier federal unit could be a real solution for the issue of Kosovo.

This was said at yesterday's press conference by Prof. Fehmi Agani, the number two man in the Democratic Alliance of Kosovo [DSK], in the absence of Ibrahim Rugova, who is on a visit to Greece, having at the same

time found the Albanian discussions with De Bosse successful and worthwhile, especially because of Europe's desire in establishing dialogue and a system of supervision. In any case, before that Agani provided his view of the election of Milan Panic and of his government, and he also had messages for Panic, Dobrica Cosic, and Dragoljub Micunovic. On election of the government of the FRY [Federal Republic of Yugoslavia] and Panic, he said:

"The third Yugoslavia now has its government. The presentation was pale and unpromising, which is in keeping with the election of a government of a state which no one recognizes and which is being set up against the will of a considerable portion of its people.

"Nevertheless, Mr. Panic spoke about self-determination in solving the question of Kosovo, and that is the only constructive thing that can be recorded, and we welcome it," Agani said, adding: "At the same time, we would call upon him, if he is thinking of the Albanians and Kosovo, to save himself some trouble and not involve himself in the expense of forming a ministry for ethnic minorities, although in certain times and places there have been offices of ministries for colonies and overseas settlements that existed and worked effectively. Even Mr. Micunovic should not waste his good deeds and preoccupy himself with the idea of creating an office where members of ethnic minorities could at least complain when they want. Those are cheap tricks and deceptions and highly compromising."

"Mr. Cosic has rightly insisted that they should give up mythomania and megalomania and frame their national goals according to possibilities and objective circumstances. However, as far as Kosovo is concerned, he has given up on all that. He sees the solution in some earlier concept which has already been defeated," Agani feels.

#### **Vojvodina**

##### **Gas Stations Reportedly Short of Diesel**

LD2907194792 Belgrade TANJUG Domestic Service  
in Serbo-Croatian 0854 GMT 29 Jul 92

[Text] Novi Sad, 29 Jul (TANJUG)—All gasoline in Vojvodina have been without diesel fuel since the beginning of July. The reason for this is that priority is being given to agriculture and transport enterprises, which are regularly receiving diesel fuel.